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Even at Costliest College, Unease Over Downturn

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YONKERS, N.Y. — In the hypercompetitive world of higher education, a top ranking in national surveys is zealously sought. But during this moment of deep economic anxiety, [Sarah Lawrence College](#) finds itself No. 1 in an inopportune category: the nation's most expensive school.

With students paying \$53,166 per year for tuition, room and board, Sarah Lawrence, a liberal arts school of 1,200 with 42 acres of Tudor-style buildings, edged out [George Washington University](#) and [New York University](#) as the priciest school in America, according to a report this week by [the College Board](#). They are among more than 100 colleges and universities costing above \$44,000 a year.

Across the nation, college costs rose 6.4 percent this fall, the College Board report says, with the average price tag for private, four-year schools at \$25,143, and public universities, \$6,585.

On both the top and bottom ends of the spectrum, many of the pressures driving up costs are similar, particularly for liberal arts colleges. A look at Sarah Lawrence, which has been in the College Board's top five in cost for several years, provides a window to better understand where all that money goes.

Located just north of New York City in Yonkers, the college, since its founding in 1928, has held as its guiding principle the importance of "individual education." Since no two people learn in the same way, the philosophy holds, students are expected to largely design their own academic programs.

But such a system requires intensive interaction with faculty; Sarah Lawrence brags of a 6:1 student-teacher ratio. During the first year, students meet individually with a

professor every week. So it should be no surprise that faculty salaries and benefits are the school's greatest expense, 48 percent of its annual \$80 million budget.

Karen Lawrence, president of Sarah Lawrence, said there is an increasing division among the top liberal arts schools between those with huge endowments like [Harvard](#) (\$34 billion before this season's economic crisis) and [Yale](#) (\$23 billion) and schools that depend heavily on tuition to pay their bills. Sarah Lawrence's endowment stands at \$65 million — down from \$77 million in May 2007, a 16 percent drop amid the market turmoil.

“The rich schools are increasingly functioning like public institutions,” she said. “They could go years with not a single student having to pay tuition.”

At Sarah Lawrence, 53 percent of the students receive some financial aid, the vast majority of them getting grants from the college itself, taking up 21 percent of the budget. (As of 2007, two-thirds of Harvard's students received aid.)

Ms. Lawrence — no relation to the school's founder — said that the school has not yet seen an uptick in requests for financial aid, but that she is worried about increasing pressures as middle- and upper-class families also deal with the market turmoil.

“It's really hard to tell right now how much we are going to be impacted,” she said. “Some students are struggling more because their family finances are changing. We are trying to help them out. But the small endowment makes it hard.”

Rosie Young, 18, a freshman from Providence, R.I., said she feels lucky to have a trust fund to take care of her college education — it covers everything, including Plan 2, the meal plan required for freshmen, which brings the total cost to \$53,454 (that's \$39,450 for tuition, \$8,756 for a room and \$4,348 to eat, plus \$900 in assorted fees). “Half the kids here are loaded,” she said. “I am extremely lucky that my grandmother is wealthy.”

Ms. Young said that her grandparents had done well in the stock market, and that her parents had recently told her that as much as half their fortune may have disappeared in the recent downturn. “But I think I am pretty secure, since the college money is in a trust,” she said.

She was sitting next to another freshman, Kayleigh Salstrand, 18, from Lake Tahoe, Calif. The two had apparently not discussed money before; Ms. Young was surprised to learn that her friend was on financial aid.

Ms. Salstrand, the daughter of a bank employee and a stay-at-home mother, said she pays about \$8,000 (she took out a loan to cover it); the rest is offset by a \$39,000 grant from Sarah Lawrence and other aid.

“It is a little crazy that college should cost so much, but I am really happy with my experience here,” she said. “It is absurd, but it is what you have to do. Be in debt for the rest of your life.”

It was a sentiment commonly expressed — both by students on aid and those whose families can afford the tuition.

Max Teischer, 19, a sophomore from Westport, Conn., said that his parents — his father is a hedge-fund manager — looked at Sarah Lawrence as an investment and never blinked at the cost. But asked how the economic turmoil was affecting his father, Mr. Teischer said: “He is freaking out.”

Mr. Teischer remains unworried about his ability to stay at Sarah Lawrence, but says he is cutting back on some extravagances.

“One of my favorite restaurants is the Oyster Bar,” he said. “But I don’t go there as much. I will get a bagel for dinner instead.”