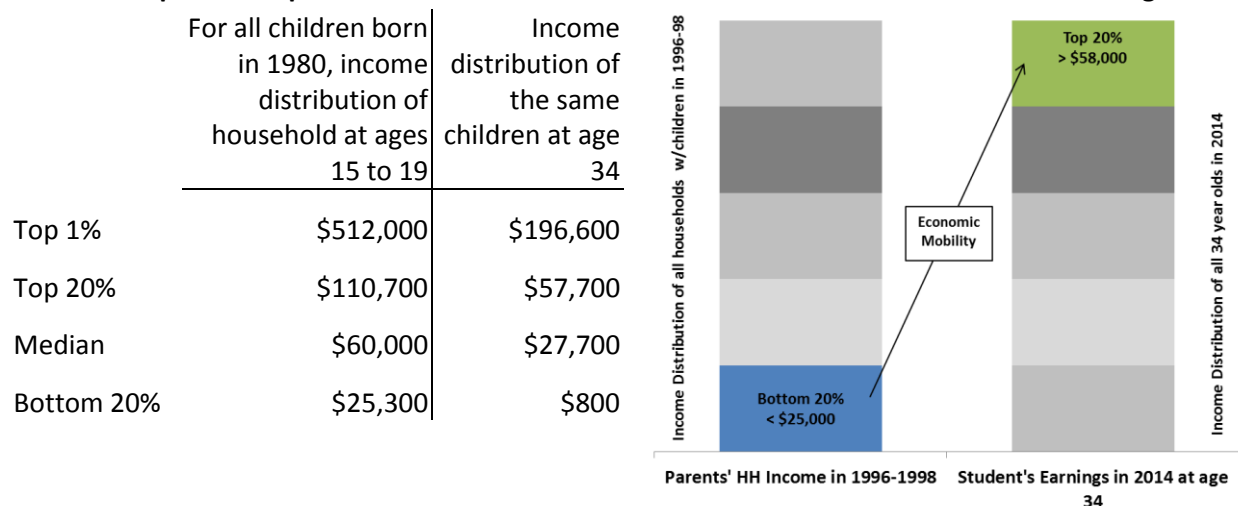


## Background

The New York Times has published a series of articles<sup>1</sup> leveraging data produced by The Equality of Opportunity Project – a collaboration among researchers at UC Berkeley, Brown, Stanford and the US Treasury. This study sought to determine which colleges contributed most toward helping their students climb the income ladder. The researchers defined economic mobility as graduates moving over time from a lower rung in the income distribution to a higher one. As shown in Table 1, for children born in 1980, if their family was earning \$25,300 or less, that would put them in the bottom one-fifth of the income distribution. At age 34, if the child was earning \$57,700 or more, they would be in the top 20% of their peer’s income distribution, indicating upwards mobility. The distribution is skewed higher for the household because their parents were likely older than 34 at the time of measurement and wages generally increase with age.

**Table 1: Comparison of parental household income distribution to children’s individual earnings**



The researchers defined three key indicators for each university or college, discussed later in this brief:

- **Access:** the percentage of students at an institution from the bottom 20 percent
- **Success Rate:** Out of students from the bottom 20 percent as teenagers, the share who ended up in the top 20 percent as adults
- **Mobility Rate:** The percentage of all students at an institution who started in the bottom 20 percent and ended up in the top 20 percent (i.e., access × success rate)

This topic brief highlights some of the key findings from this study, along with comparable data for UC campuses and how it corresponds to other UC findings related to economic mobility.

<sup>11</sup> [“Some College Have More Students From the Top 1 Percent Than the Bottom 60. Find Yours.”](#) New York Times, January 18; [“America’s Great Working Class Colleges,”](#) January 18; and “California Today” New York Times, January 19.

**The University of California provides low-income students with unprecedented access**

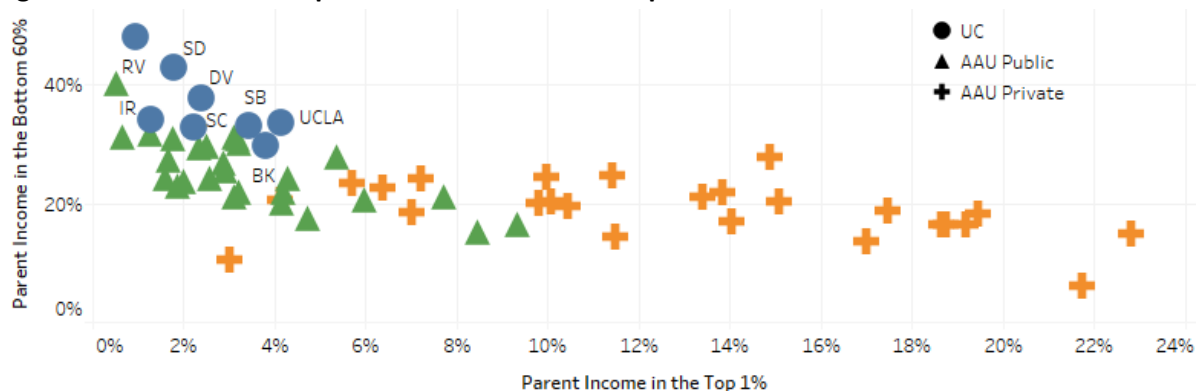
The New York Times ranked colleges by the ratio of the percentage of students from the top 1 percent to the percentage from the bottom 60 percent (based on parent income). The top 10 are shown in Table 2. By comparison, no UC campuses rank in the top 250. In fact, every UC campus is below all of the private institutions in the American Association of Universities (AAU) and 11 of the 26 non-UC public member institutions. Figure 1 shows that UC campuses are distinguished by both greater access to the bottom 60 percent and fewer students from the top 1 percent.

**Table 2: Percentage of students with parents in top 1%, compared to those in bottom 60%**

Rank		The top 1% (\$630K+)	The bottom 60% (<\$65K)
1	Washington University in St. Louis	21.7	6.1
2	Colorado College	24.2	10.5
3	Washington and Lee University	19.1	8.4
4	Colby College	20.4	11.1
5	Trinity College (Conn.)	26.2	14.3
6	Bucknell University	20.4	12.2
7	Colgate University	22.6	13.6
8	Kenyon College	19.8	12.2
9	Middlebury College	22.8	14.2
10	Tufts University	18.6	11.8
<hr/>			
264	University of California, Berkeley	3.8	29.7
273	University of California, Los Angeles	4.1	33.5
300	University of California, Santa Barbara	3.4	33.1
397	University of California, Santa Cruz	2.2	32.9
410	University of California, Davis	2.4	37.6
533	University of California, San Diego	1.8	43.0
561	University of California, Irvine	1.3	34.2
756	University of California, Riverside	<1	48.0
919	University of California, Merced	<1	53.9

Based on New York Times definitions, these estimates are for the 1991 cohort (approximately the class of 2013). Rankings are shown for colleges with at least 200 students in this cohort, sorted here by the ratio between the two income groups.

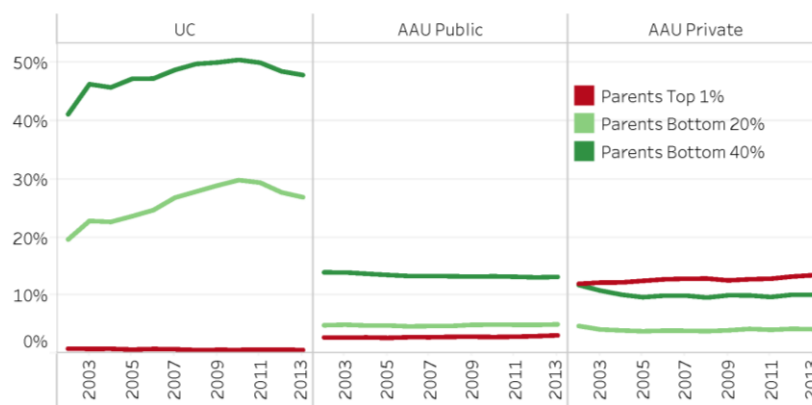
**Figure 1: UC and AAU comparison of students from top 1% and bottom 60%**



The Times reported that the “share of students (at top colleges) from the bottom 40 percent has remained mostly flat for a decade,” while the share of students from the top 1 percent has grown. In contrast, UC campuses showed positive gains in access over the period of the study, and are in stark contrast to both the elite colleges referenced in the article and the AAU public and private institutions in terms of providing access for lower income students.

In fact, UCLA ranked first among elite institutions that enrolled the highest percentage of low- and middle-income students (i.e., from the bottom 40 percent in terms of parental income).

**Figure 2: UC and AAU comparison of students from top 1% and bottom 20% and 40%, by class cohorts**



## More than 75 percent of UC’s low-income students move into the middle class and beyond

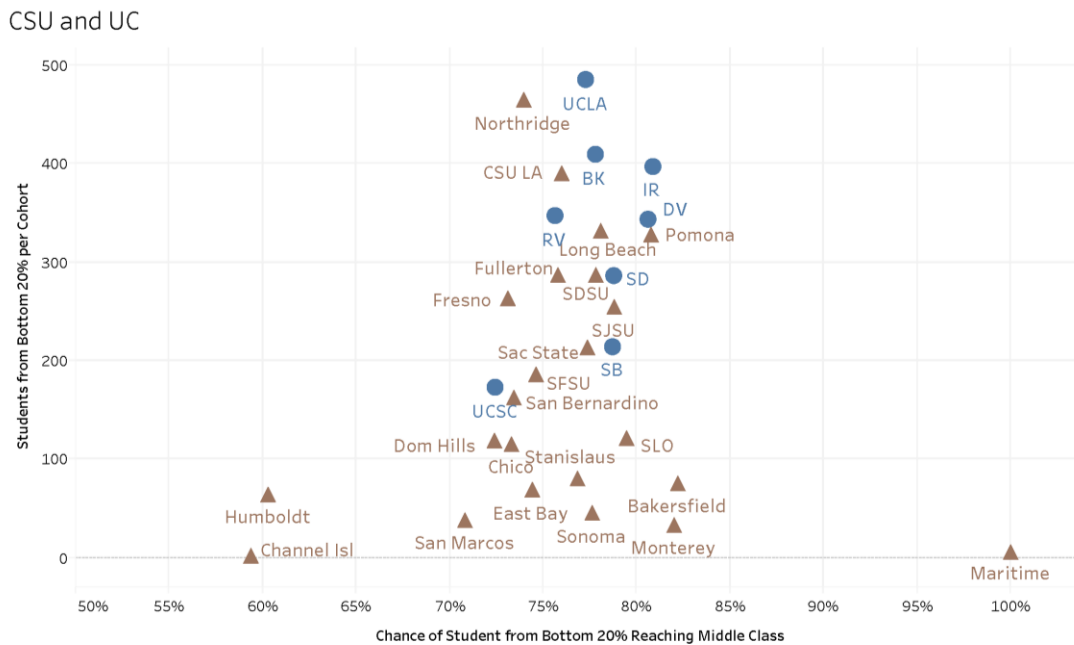
The New York Times “California Today” feature of January 19 noted that “at several Cal State campuses...more than 75 percent of poor students have ended up in the middle class or beyond.” That statement is also true for almost all UC campuses, with some exhibiting rates that exceed 80 percent.

Figure 3 provides a comparison of both the number and percentage of students from UC and CSU campuses that move from the bottom 20 percent to the top 60 percent, using the methodology discussed at the beginning of this paper. It shows that for all UC campuses and almost a dozen CSU campuses, hundreds of students on each campus move from the low- to middle-income and beyond.

Furthermore, UC Irvine ranked 4<sup>th</sup> nationally with its 81 percent success rate in moving students from low-income to middle-income, out of all institutions with 10 percent from the bottom 20 percent and at least 500 in the total cohort.<sup>2</sup>

<sup>2</sup> These criteria were set by the New York Times.

**Figure 3: UC and CSU number and percentage of students from bottom 20% that rise to top 60%**



The above graph represents the study’s primary focus, the 1980 to 1982 birth cohorts (classes of 2002 to 2004)

### More than 50 percent of UC’s low-income students move into the top 20 percent

The study ranked colleges and universities with the highest upward mobility rates (i.e., from the bottom 20 percent to the top 20 percent).

While UC campuses do not make the top ten in mobility rates, most campuses have mobility rates approaching or exceeding five percent and success rates that exceed 50 percent (see Table 3). This affirms that greater access to UC leads to greater economic mobility for low-income students. Irvine ranks highest among UC campuses, consistent with its place at the top of the New York Times College Access Index<sup>3</sup>.

Table 3 also includes select AAU private and public peers. UC is able to advance economic mobility more than these institutions because UC enrolls both a larger proportion and number of low income students who succeed in moving to the higher end of the income distribution.

<sup>3</sup> <https://www.nytimes.com/2015/09/17/upshot/college-access-index-2015-the-details.html>

**Table 3: Colleges with highest mobility rates**

Rank		<b>Mobility Rate =</b>	<b>Bottom 20% Access x</b>	<b>Bottom 20% to Top 20% Success Rate</b>
1	California State University, Los Angeles	9.9%	33.1%	29.9%
2	Pace University	8.4%	15.2%	55.6%
3	State University Of New York At Stony Brook	8.4%	16.4%	51.2%
4	Technical Career Institutes	8.0%	40.3%	19.8%
5	University Of Texas - Pan American	7.6%	38.7%	19.8%
6	CUNY Univ. of New York System	7.2%	28.7%	25.2%
7	Glendale Community College	7.1%	32.4%	21.9%
8	South Texas College	6.9%	52.4%	13.2%
9	California State Polytechnic University, Pomona	6.8%	14.9%	45.8%
10	University Of Texas At El Paso	6.8%	28.0%	24.4%
12	Irvine	6.8%	12.2%	55.3%
19	Riverside	6.0%	14.7%	41.0%
24	Los Angeles	5.6%	10.2%	54.6%
39	Berkeley	4.9%	8.8%	55.2%
41	San Diego	4.8%	8.8%	55.1%
53	Davis	4.4%	8.6%	51.8%
151	Santa Barbara	3.1%	6.2%	49.5%
205	Santa Cruz	2.8%	7.4%	37.6%
327	Stanford University	2.2%	3.6%	62.7%
377	Yale University	2.1%	3.6%	57.3%
559	Harvard University	1.8%	3.0%	57.7%
729	University of Michigan	1.5%	3.0%	50.4%
766	University of Virginia	1.5%	2.8%	51.8%
861	Princeton University	1.3%	2.0%	65.9%

Excludes institutions with a very small mobility headcount, based on the study author's definitions (Table III in the paper). The table represents the study's primary focus, the 1980 to 1982 birth cohorts (classes of 2002 to 2004)

While CCC and CSU campuses create mobility for more students due to their much greater enrollments, UC has a higher average per campus and higher mobility rate. Overall, UC's mobility rate is 4.9 percent, compared to CCC's at 2.5 percent and CSU's at 4.3 percent.

**Table 4: Comparison of students at California institutions who move from lower to top quintile**

	<b>Number of Students per Cohort</b>	<b>Number of Students in Each Cohort who Come From Bottom Quintile and Reach Top Quintile</b>	<b>Average Number of Students by Institution that Move from Bottom to Top Quintile</b>
University of California System	28,020	1,359	170
California State University System	32,657	1,404	61
Community College System	154,684	3,949	58
AAU in California	4,760	160	53

The table represents the study's primary focus, the 1980 to 1982 birth cohorts (classes of 2002 to 2004)

## **UC Berkeley ranks first in universities that move low-income students to the top 1 percent**

UC Berkeley has the largest percent of low-income students who move from the bottom 20 percent to top 1 percent, which equates to earning almost \$200,000 by the age of 35.

**Table 5: Top 10 colleges with highest mobility rates to top 1% earners**

	<b>Mobility Rate =</b>	<b>Access Rate x</b>	<b>Upper Tail Success Rate</b>
1 University of California – Berkeley	0.76%	8.8%	8.6%
2 Columbia University	0.75%	5.0%	14.9%
3 MIT	0.68%	5.1%	13.4%
4 Stanford University	0.66%	3.6%	18.5%
5 Swarthmore College	0.61%	4.7%	13.0%
6 Johns Hopkins University	0.54%	3.7%	14.7%
7 New York University	0.52%	6.9%	7.5%
8 University of Pennsylvania	0.51%	3.5%	14.5%
9 Cornell University	0.51%	4.9%	10.4%
10 University of Chicago	0.50%	4.3%	11.5%

Based on the study's calculations and definitions.

## **The Equality of Opportunity Project findings confirm UC's data demonstrating economic mobility**

Using California Employment Department data, UC has produced two major findings demonstrating economic mobility:

- UC undergraduate degree recipients double their median earnings between two and 12 years, from just over \$39,000 to almost \$81,000, which is well over the 80<sup>th</sup> percentile in terms of earnings for 35 year olds.
- Within five years of graduating, the majority of UC Pell grant recipients earn more than their families. This estimate is a conservative calculation, where students must earn more than \$50,000 (i.e., a ceiling for Pell grant eligibility) to be counted. Many of these students come from families that earn far less than \$50,000, with more than 20 percent coming from families with earnings under \$25,000.

In addition, the Equality of Opportunity Project determines economic mobility in relation to their peers, whereas the UC calculation estimates whether students as individuals make more than their parents' household income. Further refining UC's analysis to do a head-to-head comparison of UC Pell grant recipients' income to that of their parents' (instead of the \$50,000 threshold), it shows that 68 percent of Pell grant recipients earn more than their parents within five years of graduation and almost 80 percent do so within 12 years, even after adjusting for inflation.