“The state of the world economy today means that higher education is more important than ever. Any barriers to students obtaining that education, including student loan debt, makes the U.S. economy less competitive and hurts us all. Policies that reduce the burden of the debt benefits not only students involved but the economy as a whole.”

*Alan Gin* is associate professor of economics with the University of San Diego’s School of Business.

Student debt is a tool that helps more Americans access a college education. But when the threat of high student loans change the course of one’s career path or prevents them from home or business ownership, solutions to address this societal need must be developed in partnership with institutions, organizations and philanthropists.
Investing in Veterinary Education
frequently asked questions

1. Are Cornell veterinary students suffering from the burden of loans upon graduation?

- The median debt (undergraduate and graduate) upon graduation for Cornell DVMs is $156,000. While high, this is lower than the national figure of $159,000. This level of debt results in a monthly payment of $1,800. Average starting salary for associate veterinarians is $80,000. An income-based repayment plan would start at $360 monthly, but at that rate the debt would take 30 years to repay.

- A recent AVMA/Merck Animal Health Veterinary Wellbeing Study published in dvm360 has attached data to the idea of happiness and satisfaction with the profession. According to the study, veterinarians younger than 45 are impacted by the financial and emotional stresses of the profession more so than older, established veterinarians, and high student debt was the top concern. The study found that the anxiety associated with the debt is at the root of their poor mental health accompanied by excessive work hours and improper work-life balance.

- If you graduated in 2009, your debt was likely around $120,000. Just five years later, it rose to $160,000 for 2015 graduates. While debt has increased significantly year over year during some time periods it is impacted by many factors such as the national economy. Fortunately, this increase has slowed in recent years.

2. How is Cornell addressing rising debt for veterinary students?

Cornell’s Veterinary College is taking a multi-pronged approach to this challenge, which includes preparing students for financial independence as well as providing creative ways to invest in their education. Scholarships are the most direct way to help future veterinarians.

- Preparing students to become financially literate and independent.
- Keeping tuition increases as low as possible.
- Encouraging a path that leads to private practice ownership by embedding business and entrepreneurial thinking within, and in addition to, our rich medical curriculum.
- Implementing an accelerated BS/DVM program (already rolled out). This means undergraduates can go straight to veterinary school after completing their junior year, eliminating a full year of tuition payments.
- Providing financial literacy training for DVM students. First year DVM students have a mandatory class that encourages them to think strategically about their career goals, personal finances, and loans, with the goal of helping them limit borrowing. Students are taught to use the CVM student loan scenario calculator—an online tool that allows them to manipulate variables such as the size of their loans, length of time until payoff and associated interest rates, and their projected salaries at different points in their career.
- Presenting a Cumulative Award Record to students each year for loans administered by the College as well as financial counseling as needed.
- Prioritizing the need for scholarships in all of our communications around philanthropy.
3. **What is Cornell’s veterinary tuition & fees?**

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<th>Non-New York Resident</th>
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<td><strong>Tuition and Fees</strong></td>
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<td><strong>Total Standard Budget</strong></td>
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4. **What is the rate of increase for Cornell DVM tuition and what is Cornell doing to minimize how fast tuition is rising?**

Since 1989, mean educational debt for all CVM students, including those without debt, rose at an average annual rate of about 7%. Fortunately, the increase has slowed, holding steady or with a slight decline over the past five years. For the ten-year period 2008 to 2017 tuition rose an average of 3.9%, which was the lowest percentage increase for any Cornell school. The increase for 2016 and 2017 was 3%. The overall Cornell tuition increase was 4.9% in the same period.

5. **Why now?**

While Cornell veterinary graduates currently have better employment rates, higher salaries, and lower median debt than the national average, many still face a debt-to-starting income ratio of roughly 2:1 – compared with 1:1 thirty years ago. As a College, we are taking this issue very seriously, and working on practical ways to lower this burden. In addition to educating students on financial literacy, we are seeking investors to help increase our endowment for scholarships. Annually, we would need to increase our scholarship awards by $5M, the equivalent of $100M in endowment.

- **INCREASED CLASS SIZES.** Because of generous philanthropy over the years, we are able to award partial scholarship support to just over 80 percent of Cornell veterinary students – this totals about $2.2 million per year. As we have recently increased our class size from 100 to 120 students per year, we are committed to investing in these additional students while also increasing the levels that each student could receive.

- **SOCIETAL NEED.** Higher education is more important than ever to the world economy, and alleviating student loan debt lifts the US economy and individual families alike. Student debt creates obstacles for those wanting to buy a house, a car or start a family after graduation. One in five students say their student loans are holding them back from starting a business.

- **FUTURE OF THE PROFESSION.** Students are more likely to choose their paths in the profession based on their future income rather than job satisfaction or contributions to society. Students not burdened by high debt are more able to choose less lucrative, but vitally important, areas of veterinary medicine, where the need is great. This is good for satisfaction of the students themselves, and for society, which needs well-educated, dedicated people in all sectors.

6. **Why is Cornell asking for gifts for endowment?**

Endowment is a way to invest for maximum future impact, while increasing the scholarships available now. The Cornell Long Term Investment Pool (endowment) has produced total returns that compare favorably to our peers. Our 5 year return is 7.7% and our 20 year return 7.1%. The year 2017 saw a high of 12.5% return.

7. **What gift amount is needed to endow a scholarship? How does an endowed named scholarship work? What funding opportunities are available?**

The minimum endowment level is $100,000, which is invested in the university’s long term investments. The payout rate is between 4% and 5% of a 12-quarter rolling average which equates to a scholarship of $4,500 - $5,000 each year for one student. Endowed scholarships can be as large as a donor’s resources and generosity will allow, and can be added to over time. Endowment gifts make a powerful impact, increasing in value over time as a result of investment returns.
Here are select giving opportunities and what they make possible:

A gift of $250,000 partially supports one student every year. The balance of their tuition will be made up with loans or other self-help.

A gift of $200,000 provides $8,000, our average award for all students every year, making veterinary education more accessible and affordable.

Gifts of $100,000 can name an endowed scholarship for a loved one (human or four-legged) and impact the amount of loan a veterinary students needs to take out.

8. How can I help on an annual basis?
The average scholarship for a Cornell veterinary student is $8,000 — only made possible because 80 donors give $100 per year. Your gift to the Annual Fund or earmarked for scholarships is critical to providing this funding.

9. How can alumni and other animal lovers encourage productive talk about investing in veterinary education?
   - Encourage veterinarians to join the AVMA Congressional Advocacy Network to become actively involved in combating educational debt at the federal level. Collective goal to reduce debt-to-income ratio to 1.4:1.
   - Participate in forums such as the Economic Debt Summit, sponsored by the AVMA, highlighting the economic drivers and the market for veterinary education.
   - Discuss the “value” of investing in the college and graduate programs.

10. Where can I get more information, and whom do I contact about supporting veterinary scholarships?
    Please visit [www.vet.cornell.edu](http://www.vet.cornell.edu) for more information or contact Alison R. Smith to speak directly about your interests. Phone 607.254.6129 or ars1@cornell.edu.
A Chance to Live a Dream

“I knew I was going to be different from other vet students.”

Richalice Melendez ’21, while living in Puerto Rico, knew she wanted to become a veterinarian at age 7. “My sisters and I took in the stray dogs, and I always liked pretending to be a doctor to them.” Enjoying science didn’t hurt either.

After moving to Miami, she went to a newly formed charter school. She had good grades and was highly active with community service, but the school lacked a formal chemistry lab. The absence of academic resources did not deter her. She searched for a veterinary school, and when a friend told her about Cornell, she thought she would attend for four years and become a veterinarian. She applied early decision and was admitted. She and her parents had no idea there would be four years of a rigorous, science-based curriculum, followed by another four years of veterinary school.

Every step of the way, financial decisions threatened to derail her dreams, yet she persevered. However, applying to vet school, taking the GRE exam, and traveling for graduate college interviews was more than she could afford. She turned down an interview at Auburn because she had already spent $1,400 on applications. Her parents, although seeing her determination, did not understand, and told her she was on her own.

Now in her second year of veterinary school at Cornell, “the real cost” for her is both financial and emotional. “I try not to have tons of loans and borrowed only for my rent and expenses.” Richalice works in the Diagnostic Laboratory 10-hours each week, and not just for veterinary experience. Richalice works in order to eat. Finding more than financial support through her job, she has received invaluable advice and community from Drs. Beth Bunting, Belinda Thompson ’81, and Erin Goodrich ’08, all of whom completed veterinary school. Her biggest challenge is feeling alone in her journey through school. These mentors have been her veterinary family guiding her gently along the way.

When asked what a scholarship earmarked for a first generation veterinary student would mean to her, she shared, “it would help me feel less alone – that people understand I’m not the only one. This kind of support would provide an acknowledgement that the College understands [that] this is difficult and important, that there is recognition that we are doing something most first-generation students don’t even think about.”

What’s next for Richalice? She has a long-term goal of becoming a board-certified pathologist and solving mysteries in animal health. Whichever veterinary path she ultimately follows, with her dreams and aspirations as her inspirations, she has gone farther than everyone else in her family, and created a new family and veterinary community along the way.
The New Face of Veterinary Medicine

In 2015, Shelby Wauson DVM ’19 and her husband, Eric Byers, left their friends, families, and jobs in their home city of Houston, Texas, so she can study shelter medicine at her “dream school,” the College of Veterinary Medicine at Cornell. Wauson had been a veterinary technician. Byers was a math teacher, but he wasn’t certified in New York State so he switched gears and found work at a brewery outside of Ithaca.

The couple also had been wanting to start a family, and they finally got their wish last year when Wauson became pregnant. But, nearing her due date in the middle of a hectic fall semester, Wauson and her husband started to feel the pinch.

“I had maxed out on my federal loans for the year,” she said. “My loans only covered my tuition so we had nothing for health insurance, our child’s health insurance, and our living expenses.”

When she was chosen as one of the recipients for Cornell scholarships, it was a godsend that helped her pay for her family’s health insurance.

“Without that scholarship and the child daycare grant from Cornell, I don’t know if I would have continued through the year,” said Wauson, who held work-study jobs at Cornell’s Companion Animal Hospital until their son was born in November.

Becoming a mother and becoming a veterinary doctor are equally important to her: “We made a conscious decision to have a child during vet school, because, at 27, I’m two to three years older than the average vet student, and we want to have more kids in the future.”

Wauson explained that starting a family after vet school at the same time as starting a veterinary practice often puts women at a professional disadvantage, vulnerable to job discrimination or loss of income, particularly when they go on maternity leave.

“It’s crucial to support female students, especially mothers, through veterinary school because we’re the future of veterinary medicine,” she added, referring to the growing number of female vet students in the United States.

Entering her final year, Wauson is exploring externship opportunities. She looks forward to returning to Houston, where she hopes to make a difference in the lives of animals and their human companions, especially low-income families.

“Hurricanes have been hitting my hometown really bad, and so our shelters have been inundated with stray animals,” she said. “They’re just desperate right now for vets.”