

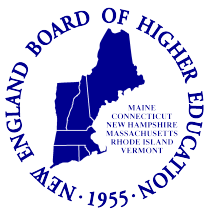
College Affordability in Maine: Background & Context

New England Board of Higher Education

Gretchen Syverud

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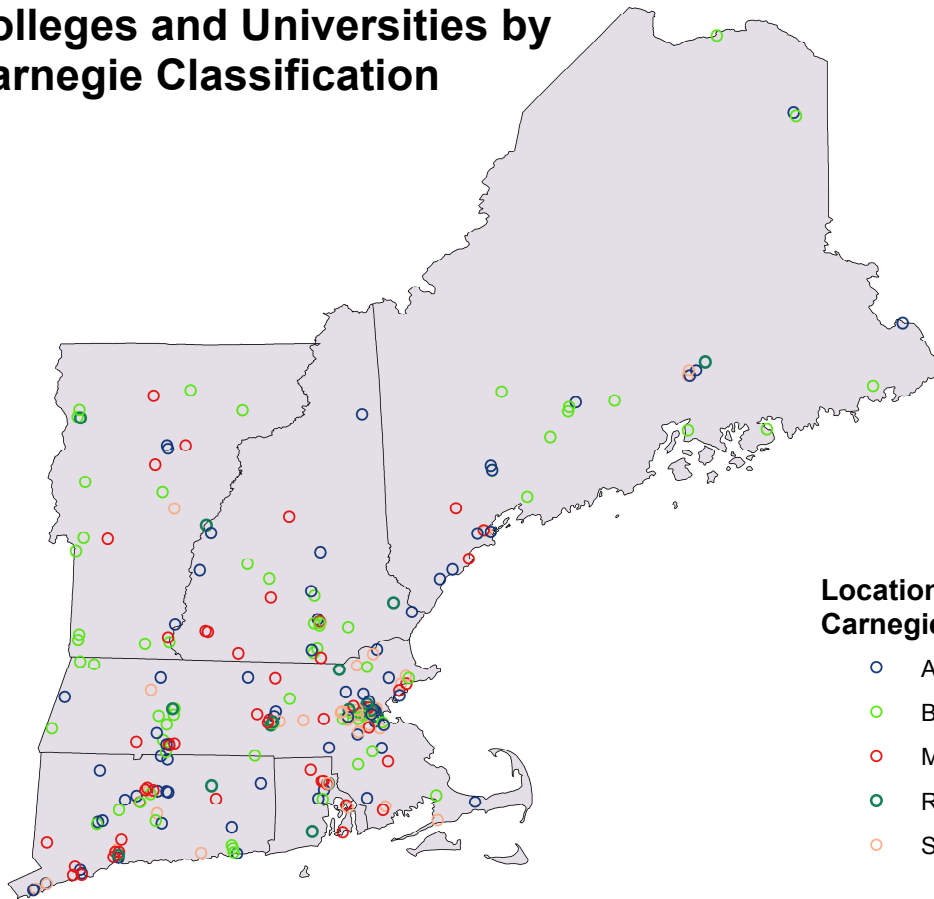
February 11, 2015



About NEBHE

- Interstate agency, chartered by New England Governors in 1955
- One of four inter-state compacts

Colleges and Universities by Carnegie Classification



Location of Schools by Carnegie Classification

- Associate
- Baccalaureate
- Master's
- Research
- Specialty

new england board of higher education's
tuitionbreak
for new england residents



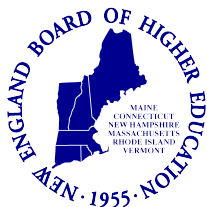
Maine needs more residents with postsecondary education to grow a strong economy

58%

Share of Mainers
Age 25+ with
Postsecondary
Education in 2013

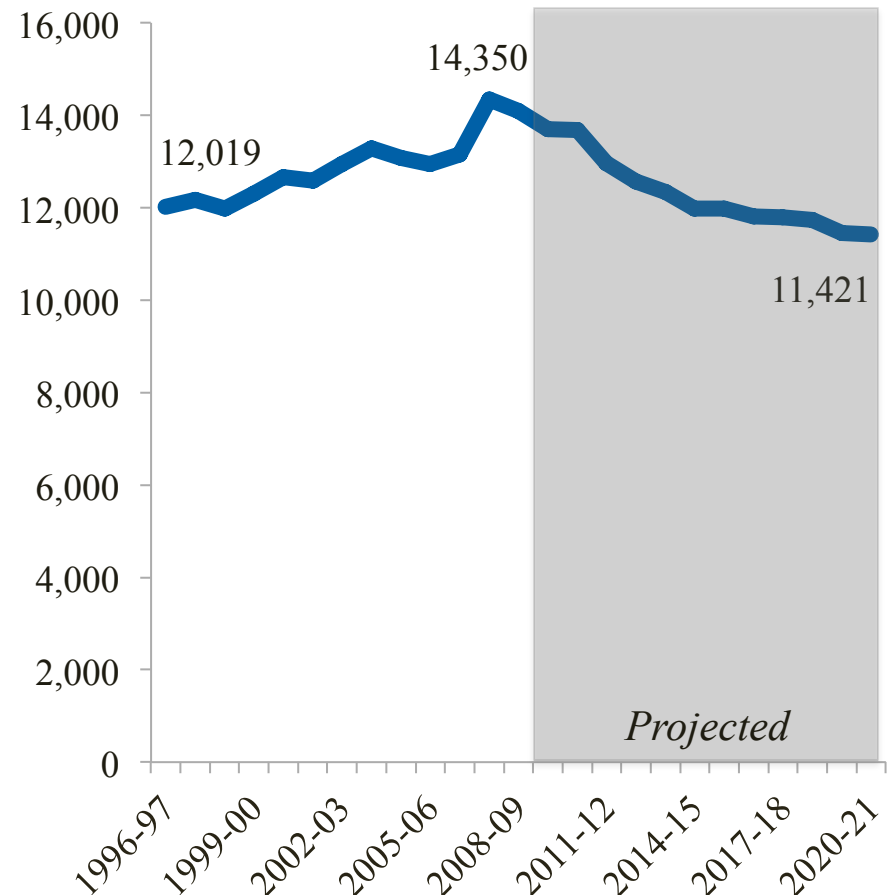
66%

Projected Share of
Mainers with
Postsecondary
Education Needed
by 2020



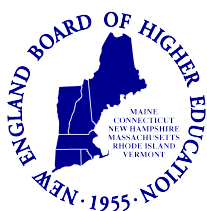
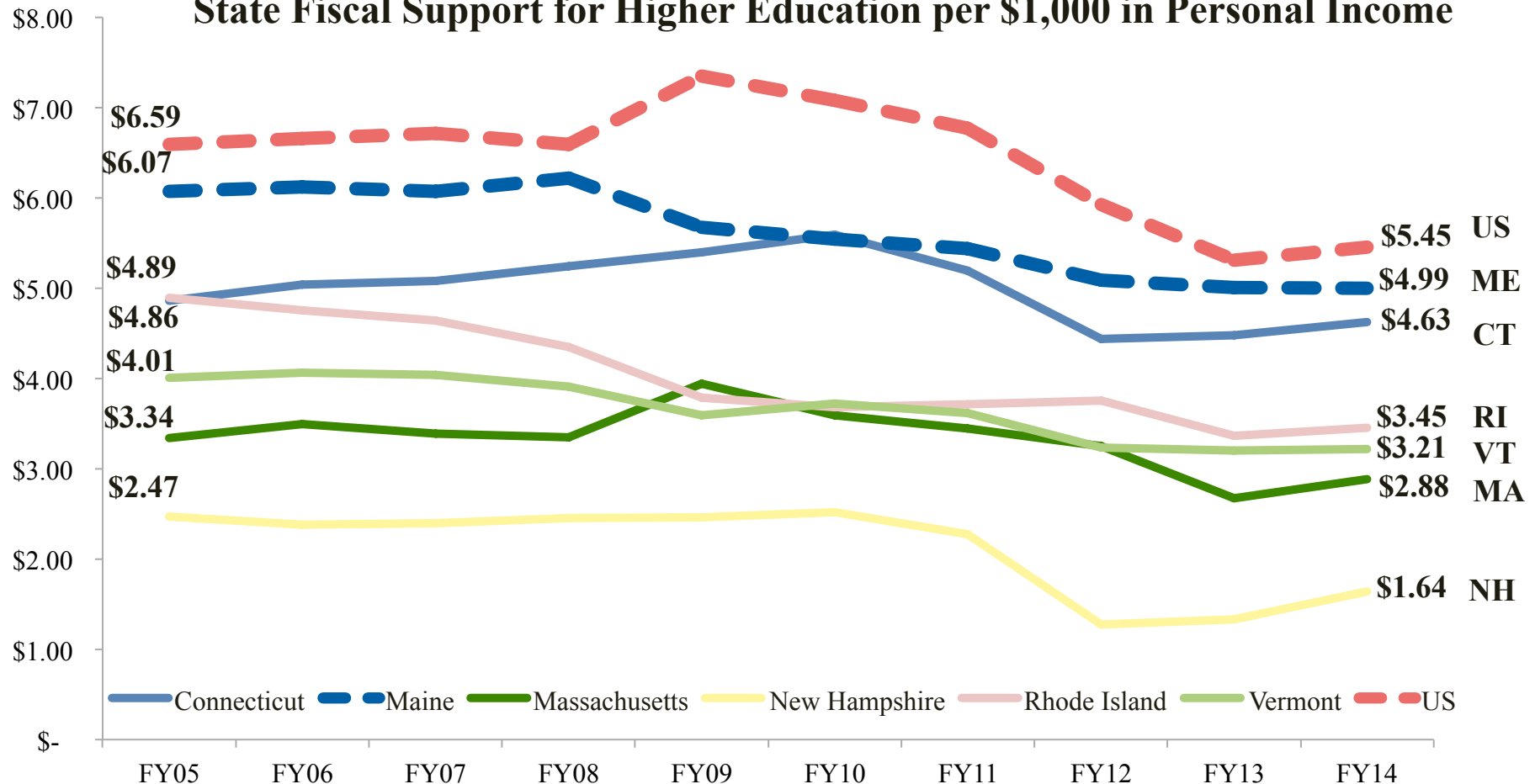
Source: Georgetown University Center on Education and Workforce, American Community Survey, Western Interstate Commission for Higher Education

High School Graduates in Maine



Maine's investment in higher education is shrinking

State Fiscal Support for Higher Education per \$1,000 in Personal Income

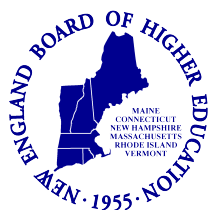
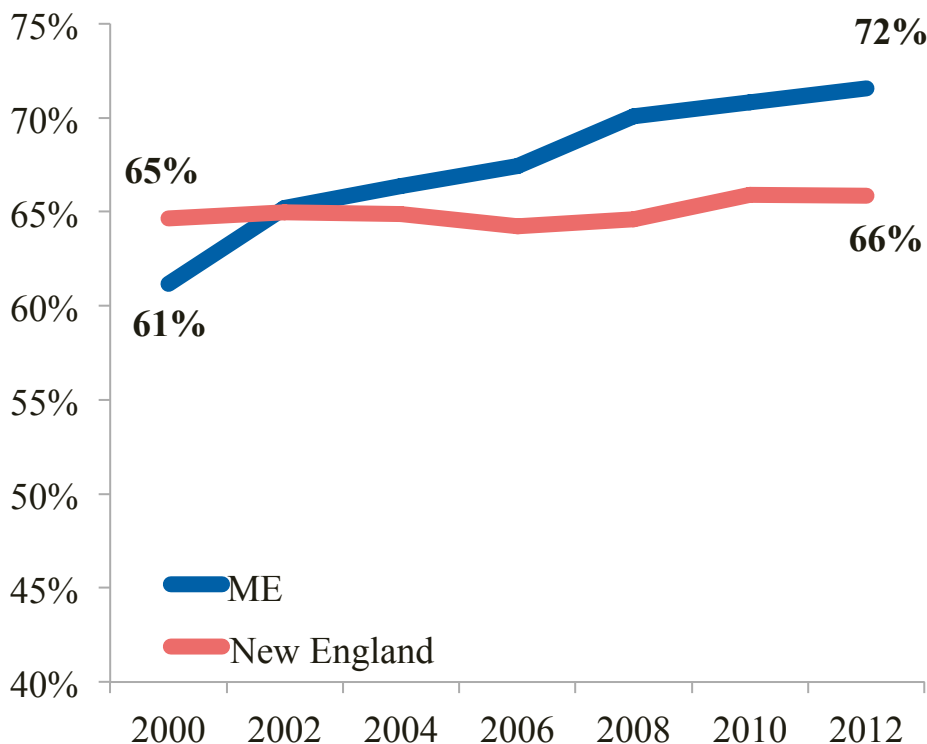


Note: State fiscal support is made up of state and local tax and nontax support for public and independent higher education, including state financial aid and special purpose appropriations for research-agricultural-medical purposes. Dollar figures are adjusted for cost of living and mixes in enrollment among categories of institutions, the methodologies for which can be found in the Technical Paper appendices of SHEEO's SHEF report. Population and personal income data from U.S. Census Bureau and Bureau of Economic Analysis.

Source: State Higher Education Executive Officers State Higher Education Finance and Illinois State University Center for Higher Education and Education Finance reports, Fiscal Years 2005-13

Most Mainers enroll in-state; Most students in Maine enroll at public institutions

Share of First-time, Full-time Students Enrolled In-state



Source: NEBHE analysis of data from U.S. Department of Education

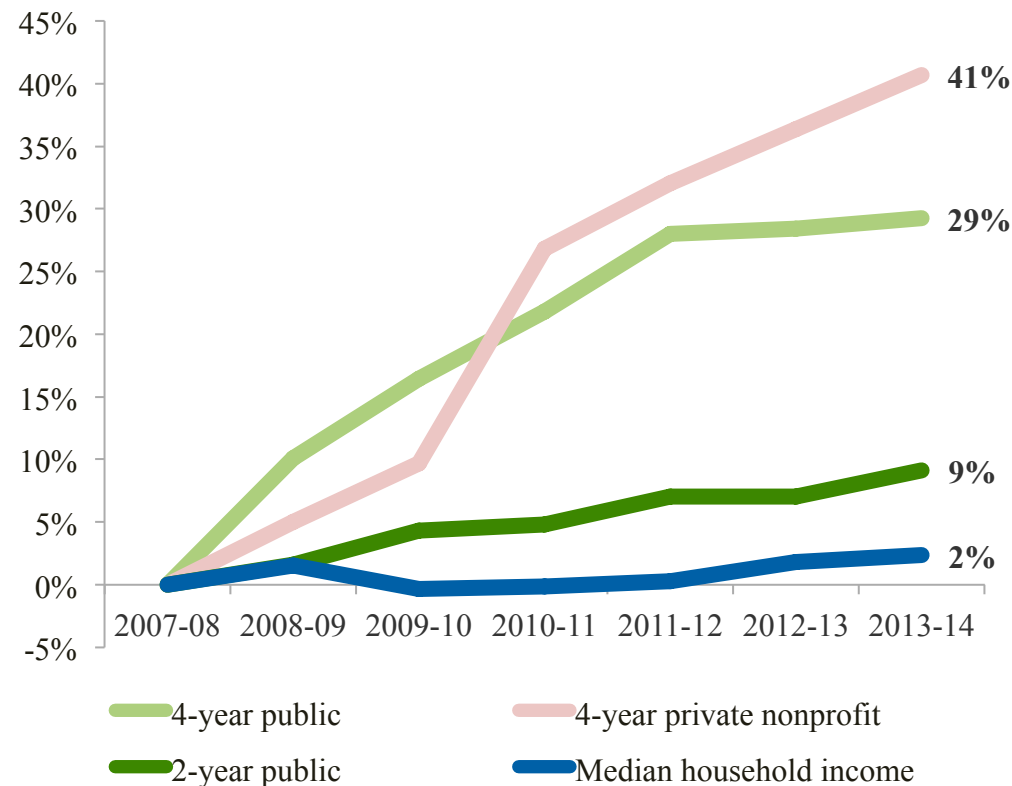
Enrollment in Maine: All Undergraduates

	Institutions	Students	Share of all Students Enrolled in ME
Public 2-Year Institutions	7	25,649	31%
Public 4-Year Institutions	8	33,938	41%
Total	15	59,587	72%

Source: NEBHE analysis of 2012-13 unduplicated undergraduate headcount data from U.S. Department of Education

College prices are rising faster than income

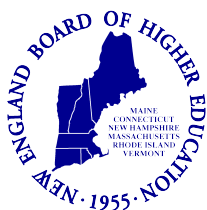
Changes in Maine Tuition and Required Fees and Income Relative to 2007-08



Share of Income Needed to Pay Average Published Tuition and Required Fees in Maine, 2013-14

Income Range	2-year Public	4-year Public	4-year Private Nonprofit
Less than \$10,000	67%	175%	633%
\$10-14,999	27%	70%	253%
\$15-24,999	17%	44%	158%
\$25-34,999	11%	29%	105%
\$35-49,999	8%	21%	74%
\$50-74,999	5%	14%	51%
\$75-99,999	4%	10%	36%
\$100-149,999	3%	7%	25%
\$150-199,999	2%	5%	18%
\$200,000 or more	2%	4%	16%

Nearly 40% of households in Maine fall into this range.



Note: Includes only Title IV, degree-granting postsecondary institutions in New England. Averages are not enrollment-weighted and dollar values are not inflation-adjusted. Tuition rates are tuition and required fees for in-state residents. Midpoint of income ranges used for calculations.

Source: NEBHE analysis of data from U.S. Census Bureau, U.S. Department of Education, and New England institutions and state agencies

Grant aid helps, though the state grant is a declining share of that aid

State of Maine Grant + Pell Grant Purchasing Power

2007-08 2014-15 Change

2-year public (average)	188%	196%	8%
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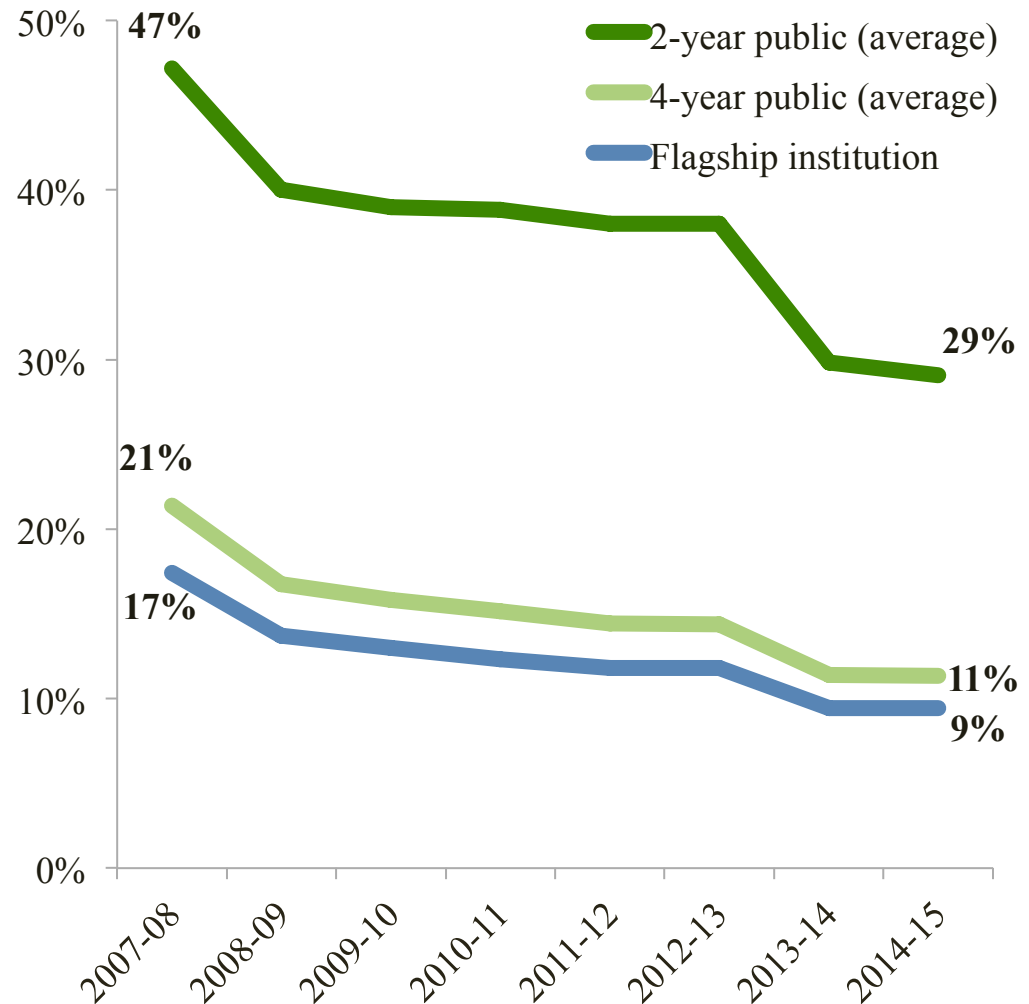
4-year public (average)	85%	76%	-9%
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Flagship institution	69%	63%	-6%
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Note: Purchasing power is based on the share of in-state tuition and required fees covered by the maximum state grant and Pell grant for an \$0 EFC student. Averages are not enrollment-weighted and dollar values are not adjusted for inflation.

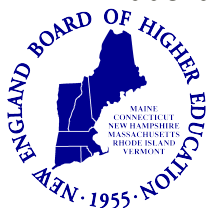
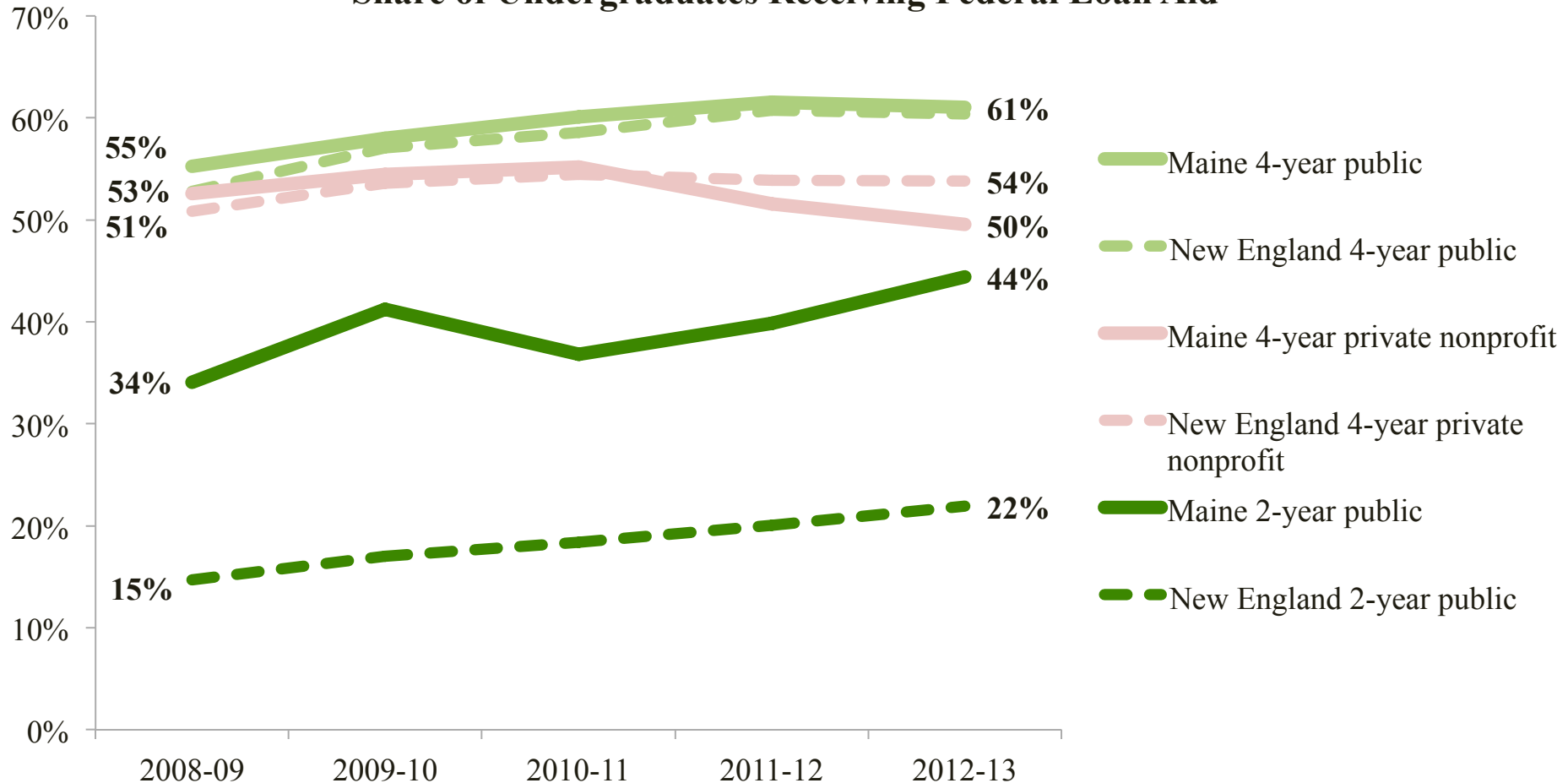
Source: NEBHE analysis of data from state system offices, National Association of State Student Grant & Aid Programs, and the U.S. Department of Education

State of Maine Grant Purchasing Power



Students are increasingly relying on loans

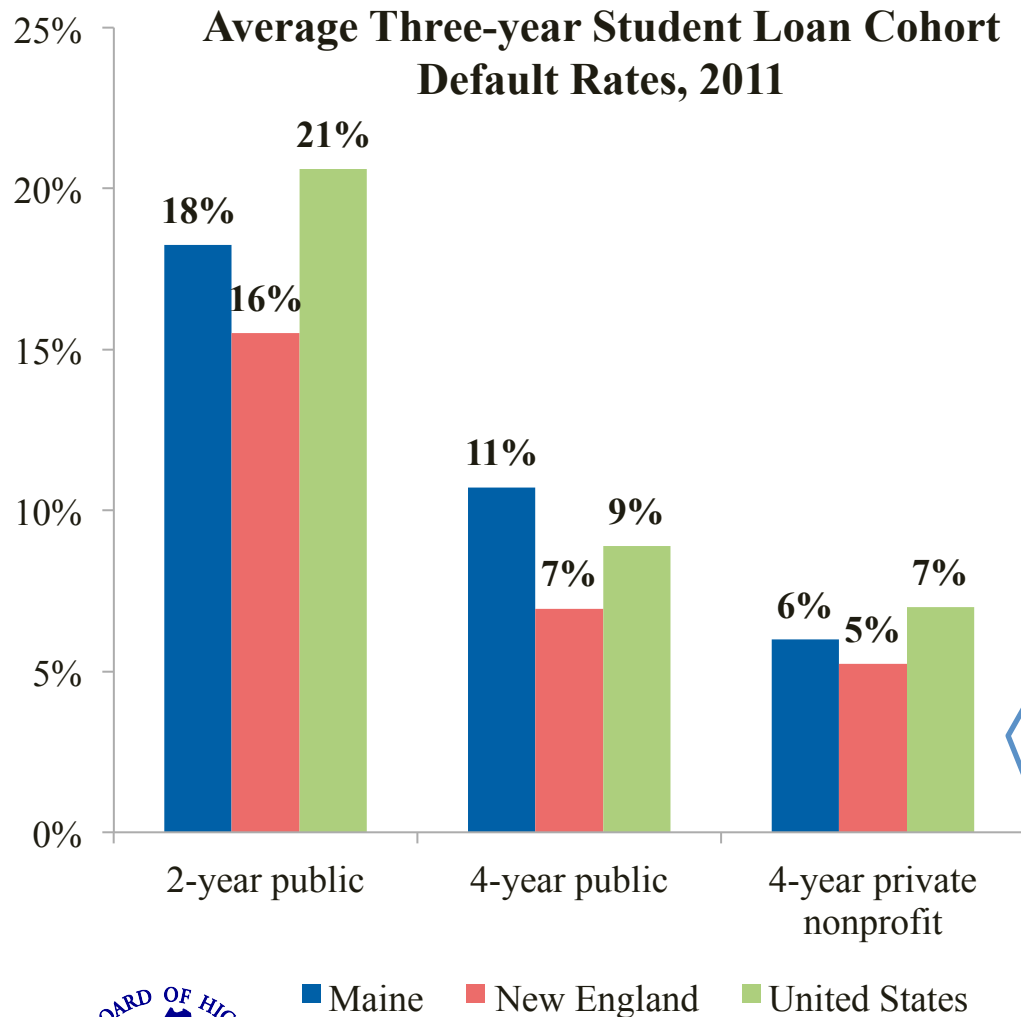
Share of Undergraduates Receiving Federal Loan Aid



Note: Includes Title IV, degree-granting postsecondary institutions in New England. Any loan aid includes federal loan aid and institutionally- and privately-sponsored loans made to students. Federal loan aid includes subsidized and unsubsidized loans to students; does not include loans to parents (e.g. PLUS loans).

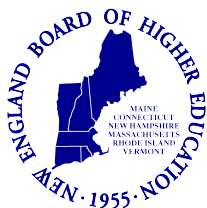
Source: NEBHE analysis of data from U.S. Department of Education

Some Mainers have trouble paying back loans



*“[After the recession,] now that all of those graduates are in the workforce, they have a lot more debt, but they are not earning much more than previous students who had much less debt... **It can mean the difference between being able to save for retirement, being able to buy a car, or being able to start a family.**”*

- Rohit Chopra, Consumer Financial Protection Bureau

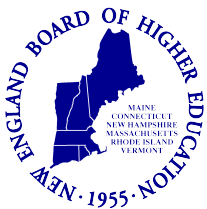


Note: U.S. sector averages labeled here as “2-year” include institutions labeled by U.S. Department of Education as “2-3 Yrs.” New England averages reflect degree-granting institutions only; U.S. averages calculated by U.S. Department of Education may include institutions that are not degree-granting.

Source: NEBHE analysis of data from U.S. Department of Education

Opportunities Ahead

- Commission to Study College Affordability and College Completion
- Redesigning Student Aid in New England
 - Partnership with FAME
 - Will support future information-gathering activities related to the State of Maine Grant
- Regional and cross-state exchange of information



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