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November 2018

Published Tuition and Fees at New England Public Colleges and Universities, 2017-18

Introduction

In New England and across the U.S., it has never been more critical to hold a postsecondary credential to be able to fully participate in the workforce and earn a sustainable wage. According to research at the Georgetown University Center for Education and the Workforce, roughly 90% of the jobs available in four of the nation's five current fastest growing occupational clusters require some form of education beyond high school. The same study estimates that 63% of all jobs available nationwide in 2018 require a postsecondary degree. As a result, employers will need approximately 22 million new employees with a postsecondary degree.

However, in recent years the cost of a college degree has risen precipitously – oftentimes becoming prohibitively expensive for far too many Americans to attend college. As postsecondary education becomes increasingly important for the vitality of New England's economy and its workforce, the growing cost of higher education has garnered substantial critical attention from the public and from policy makers. New England's public colleges continue to be the most affordable and financially accessible option for most individuals in the region. Their primary mission is to serve each of their state's residents. Tuition and fees at public colleges are of particular interest to both students and state policymakers.

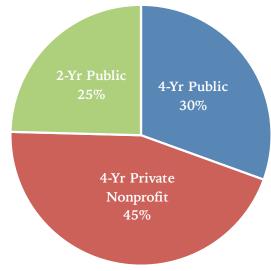
New research from the National Center for Education Statistics reveals that a majority of students and parents tend to overestimate the out-of-pocket cost of tuition and fees, yet the perception of affordability is strongly linked to an individual's future plans for higher education.² As a result, published tuition and fee rates play a significant role in students' and their families' decision about which college to attend or whether to ever pursue a college degree. This brief takes an in-depth look at the tuition and required fees published by public two- and four-year postsecondary institutions in New England.

How Many Students Enroll at Public Institutions in New England?

Roughly 436,000 undergraduate students enrolled at public two- and four-year postsecondary institutions across New England in fall 2016. From 2015 to 2016, enrollment at New England's public colleges declined by 1.8%, or by 8,036 fewer undergraduates.

Of the undergraduates in the region, one- quarter enrolled at twoyear public colleges, and nearly one-third enrolled at four-year public colleges.

While the share varies widely by state, the majority (55%) of postsecondary students in New England enrolled at *public* two-and four-year institutions in fall 2016. The remainder (45%) enrolled at *private* four-year institutions in the region.



- 1. Carnevale, Anthony P., Nicole Smith, Jeff Strohl (2010). Help Wanted: Projections of Jobs and Education Requirements Through 2018, Georgetown University Center on Education and the Workforce: https://cew.georgetown.edu/cew-reports/help-wanted/#report.
- 2. Velez, Erin Dunlop and Laura Horn (2018). What High Schoolers and Their Parents Know About Public 4-Year Tuition and Fees in Their State, U.S. Department of Education, National Center for Education Statistics: https://nces.ed.gov/pubs2019/2019404.pdf.

What is the Price of Tuition and Fees at Public Institutions Before Financial Aid?

Before financial aid, in-state tuition and fees cost students an average of \$5,193 at two-year public institutions and \$11,596 at four-year public institutions.

Since the last academic year, average tuition and fees have increased 3% (\$164) at two-year public colleges and have decreased 2% (\$196) at four-year public colleges, spurred, in part, by a 14% decrease in tuition and fees at four-year colleges in Rhode Island in 2016-17. In the last five years, the cost of tuition and fees has increased 16% (\$734) at two-year colleges and 10% (\$1,001) at four-year colleges.³

Recent initiatives in New England have been implemented to mitigate the price of college, particularly for traditionally underserved populations. For instance, Gov. Charlie Baker announced during his 2018 State of the Commonwealth Address that Massachusetts will allocate an additional \$7 million in college scholarship funding to cover the remaining tuition and fees balance of the state's poorest community college students with an unmet

Average In-State Tuition & Required Fees in New England

		Change from	Change from
	2017-18	2016-17	2012-13
Public Two-year Colleges	\$5,193	3%	16%
Public Four-year Colleges	\$11,596	-2%	10%

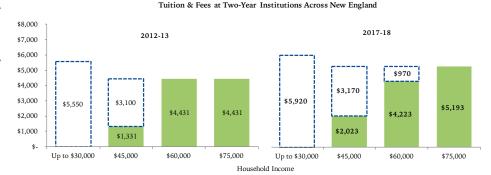
Note: Average tuition & required fees are published rates for two semesters of in-state full-time study. Dollar values are not adjusted for inflation and averages are not enrollment-weighted. These figures do not reflect any financial aid (e.g. grants, loans) or living expenses (e.g. room, board), which vary significantly between students.

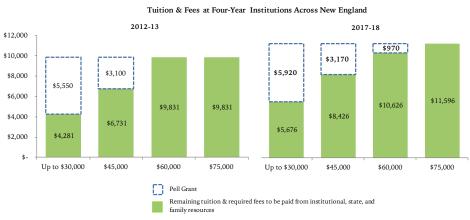
Source: NEBHE analysis of data from New England institutions and state system offices.

How Much Do Public Colleges Cost in New England After Financial Aid?

Similar to the experience of buying a new car, published tuition and fees are only the "sticker price" and may lead students and parents to experience "sticker shock" and potentially overestimate the actual out-of-pocket cost of earning a college degree. In reality, few students pay the published rates. Financial aid plays a critical role in lowering the final amount students pay. The source and amount of financial aid varies significantly from student to student and from college to college, which can make estimating and tracking the price of college difficult.

Federal Pell Grants are one of the largest, least variable sources of financial aid. They are typically awarded to undergraduate students who exhibit exceptional financial need and have not yet earned an associate, bachelor's, graduate, or professional degree. Unlike loans, these grants do not need to be repaid (except in a few rare circumstances).





Note: Pell Grant eligibility is estimated based on a family of four with two dependent children and \$0 assets. Source: NEBHE analysis of data from New England institutions and state systems offices, U.S. Department of Education, and U.S. Census Bureau.

Because there is little variation in the Pell Grant amount awarded across institutions, as compared to other types of aid, the grant serves as a helpful tool to detect changes in tuition and fee prices over time and can provide policymakers with a better understanding of what students pay after aid.

Since 2012-13 across New England, increases in tuition and fees at community colleges (16%) and four-year public colleges (10%) have outpaced increases in the maximum Pell Grant (6.25%), leaving a widening gap for low- and moderate-income families to fill with additional institutional or state aid and/or family resources.

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In New England and across the U.S., it has never been more critical to hold a postsecondary credential to be able to fully participate in the workforce. Yet, in recent years the cost of a college degree has risen precipitously – oftentimes becoming prohibitively expensive for far too many Americans to attend college. New England's public colleges are the most affordable and financially accessible option for most individuals in the region, and their primary mission is to serve each of their state's residents. Published tuition and fee rates play a significant role in students' and their families' decision about which college to attend or whether to even pursue a college degree. This brief takes an in-depth look at the tuition and required fees published by public two- and four-year postsecondary institutions in Maine.

How Many Students Enroll at Public Institutions in Maine?

In fall 2016, there were **43,952 undergraduate students** enrolled at public two- and four-year postsecondary institutions in Maine.

Nearly three-quarters (70.9%) of undergraduates in Maine were enrolled at public institutions.

Of the students enrolled in public colleges, 60.7% were enrolled at four-year institutions and 39.3% enrolled at two-year colleges.

Since 2009, enrollment at Maine's public colleges has declined by 2.8%. This figure is slightly higher than the regional average decline in enrollment of 2.6%.

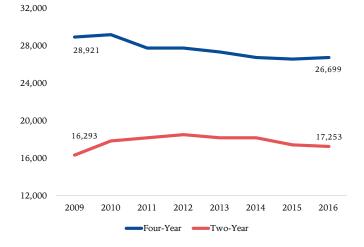
Average In-State Tuition & Required Fees at Public Institutions Change from Change from

	2017-18	2016-17	2012-13
Two-year			
Maine	\$3,520	0%	7%
New England	\$5,193	3%	16%
Four-year			
Maine	\$9,184	-2%	6%
New England	\$11,596	-2%	10%

Note: Average tuition & required fees are published rates for two semesters of in-state full-time study. Dollar values are not adjusted for inflation and averages are not enrollment-weighted. These figures do not reflect any financial aid (e.g. grants, loans) or living expenses (e.g. room, board), which vary significantly between students. Source: NEBHE analysis of data from New England institutions and state system offices

3. College Navigator, National Center for Education Statistics, U.S. Department of Education: https://nces.ed.gov/collegenavigator/?q=university+of+maine&s=all&id=161253#netprc

Undergraduate Enrollment at Maine Public Two- and Four-Year Institutions, Fall 2009-2016



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

What is the Price of Tuition and Fees at Public Institutions in Maine?

Maine's public two- and four-year colleges have the lowest average tuition and fee rates in New England.

After a six-year tuition freeze at Maine's public colleges, rates increased 2.9% overall in 2017-18. Officials at the University of Maine System say they plan to increase tuition annually to keep pace with inflation.

According to the U.S. Department of Education, from 2015-16 to 2016-17, the average net price of tuition and fees at the University of Maine increased 11.4% (\$1,801). In that same period, the average net price increased 5.7% (\$722) for in-state students from families that earn \$0-\$30,000.3

How Much Do Public Colleges Cost in Maine After Financial Aid?

Published tuition and fee prices are, similar to the experience of buying a new car, only the "sticker price" and may lead students and parents to feel "sticker shock" and potentially overestimate the actual cost of higher education. In reality, few students pay the published rates. Financial aid plays a critical role in lowering the final amount students pay. The source and amount of financial aid varies significantly from student to student and from college to college, which can make predicting and tracking the cost of college difficult.



Note: Pell Grant eligibility is estimated based on a family of four with two dependent children and \$0 assets. Source: NEBHE analysis of data from New England institutions and state systems offices, U.S. Department of Education, and U.S. Census Bureau.

Since 2012-13, increases in tuition and fees at Maine's community colleges (7.1%) and four-year public colleges (5.5%) have kept in close pace with increases in the maximum Pell Grant (6.25%), allowing the grant to cover nearly all tuition and fees at community colleges and about one-third of the cost of attendance at a four-year institution for households with an annual income of up to \$45,000.

During the 2018 legislative session, bipartisan legislation backed by Gov. Paul LePage was proposed (LD 1834) to authorize a \$50 million bond that would provide for interest-free private and federal student loans and loan refinancing, with eligibility tied to in-state study and five years of in-state work. The bill died when the Legislature adjourned in September 2018.

The University of Maine System (UMS) launched a promise initiative in which, beginning in fall 2018, first-year Maine students who qualify for a federal Pell Grant are able to attend the University of Maine at Presque Isle, Fort Kent, Augusta, and Machias free of having to pay any out-of-pocket tuition and fees. Beneficiaries of the initiative must commit to take a minimum of 30 credit hours each academic year and maintain at least a 2.0 GPA. As of October 2018, the initiative has resulted in a 2.5% increase in enrollment at these institutions over the previous year.