Public Tuition and Fees in New England

Tuition and Fees Rates at New England Public Colleges and Universities, 2008-09 through 2013-14

April 2014
With nearly 90 institutions and almost 600,000 unique undergraduate students, public institutions in New England enroll the majority of students in the region, including thousands of students in open-access institutions (Figure 1). As the sector of higher education whose mission is most closely tied to access and affordability, the cost of attending any of these institutions is of great concern to states and state tuition-setting bodies.

### Executive Summary

New England’s public colleges and universities are historically more expensive than institutions in other parts of the country. When the 2007 recession hit and family incomes plunged, these higher-than-average tuition and fees made a college education even less affordable for many families. Seven years later, students and families are still feeling the squeeze in a significant way.

While the rate of increase has slowed, rising tuition and fees at public 2- and 4-year postsecondary institutions in New England continue to outpace modest growth in median household income:

- Average in-state published tuition and fees at public 2-year institutions rose 2.2% ($94) in the last year and 22% ($820) in the last five years
- Average in-state published tuition and fees at public 4-year institutions rose 1.7% ($169) in the last year and 29% ($2,353) in the last five years
- Average out-of-state published tuition and fees at public 2-year institutions rose 2.0% ($203) in the last year and 18% ($1,643) in the last five years
- Average out-of-state published tuition and fees at public 4-year institutions rose 2.4% ($511) in the last year and 22% ($3,841) in the last five years
- In contrast, median household income in New England rose only 1.7% ($1,057) in the last year and 2.4% ($1,458) in the last five years

Meanwhile, states collect less tax revenue during periods of economic recession and state support for higher education often suffers. Though most of the New England states have been able to keep funding for need-based grant aid programs stable, this level of aid has not kept up with rising tuition and fees or the rising number of needy students. Fortunately, need-based grant aid is only one tool states can use to serve their residents’ college affordability needs, and all six states offer alternative options and strategies toward this end. For example:

- Multiple New England states honored commitments to freeze tuition and/or fees at public 2- and 4-year institutions, sometimes for both in- and out-of-state students;
- Connecticut reorganized its state grant aid program by combining multiple targeted scholarships into one comprehensive grant program; and
- All six New England states offer 529 college savings plans with various incentives and tax benefits to encourage families to save for college, some from as early as the birth of their first child.

As the landscape of the economy and higher education shifts at both the regional and national levels, however, affordable postsecondary educational opportunities are at risk. Transformative change is needed. In an effort to inform state policymakers and public higher education leaders working on maintaining college affordability in the region, the following report outlines trends in tuition and mandatory fee rates across the region based on data collected in early 2014. This year, the report also includes an overview of state strategies to provide financial aid to students in addition to the federal, institutional, and private aid resources available to students and families.
How Much of Household Income is Needed to Pay?

When gauging college affordability, there are many possible metrics to consider. In this analysis, we use the share of a typical household’s income needed to pay for the average published tuition and fees in that household’s state or region. Other metrics, such as student debt burdens, cohort default rates and net price (the price students pay after all financial aid is taken into account), capture the price for students who have enrolled in an institution. All of these measures, however, say nothing about the possible role published tuition and fee rates may play for students and families considering a college education and subject to so-called “sticker shock.”

Though nearly every state’s average published tuition and fees rates increased faster than the rate of median income growth over the last five years, published in-state tuition and fee rates at public two-year institutions remained below 10% of median household income in most states (Figure 2).

Maine was able to maintain a nearly equal level of affordability (as share of median income) from 2008 to 2013 by freezing tuition for community colleges intermittently between 2010 and 2014. In all other New England states, the share of median household income needed to pay in-state community college tuition and mandatory fees increased by at least one percentage point. Vermont, for example, continued as the least affordable state in the region, with the share of median income necessary to pay tuition and fees rising from 9% in 2008-09 to almost 11% in 2013-14—almost double the share in the most affordable state, Connecticut.

Published in-state tuition and fees at public 4-year institutions across New England became considerably less affordable in the past five years (Figure 3). Tuition and fees now represent 18% of median household income in the region, up from the already-hefty average 14% in 2008. The most and least affordable states for public 4-years institutions are Connecticut and Vermont, respectively (which are also the most and least affordable for public 2-year institutions). The state with the largest change was New Hampshire, which jumped 5.7 percentage points, though every state saw an increase of at least 2.5 percentage points.
A Tool for College Affordability

Many students and families have access to resources, besides income, to pay for college. These resources include grants, scholarships and loans from federal and state governments, institutions and private sources.

Nationally, total undergraduate student aid was $185.1 billion in academic year 2012-13 (Figure 4). State grants represented $9.6 billion.

Just as students and families often pull from several different sources to pay for higher education, state governments typically have several different policy tools at their disposal to make college affordable for their residents. The major levers states can use to affect college affordability are state appropriations directly to public higher education institutions, tuition- and fee-setting at public institutions, and state grant aid.

Each state’s approach to these policy tools reflects its priorities and ideas of where it thinks resources will be most effective. Some states, such as Vermont, fall into a “high-tuition/high-aid model,” as in-state tuition at public institutions is high and grant aid is high (both in amount and number of recipients) compared to the region, thereby providing a large subsidy to higher-priced colleges. Other states, such as Connecticut, could be described more as “low-tuition/low-aid,” as in-state tuition at public institutions is relatively low and grant aid is low, thereby affecting college affordability for all students, not just state residents who are eligible for grant aid.

The wide range of total state grant expenditures as a share of state fiscal support for higher education, which measures how big of a role grant programs play in a state’s plan to make college affordable, as well as the range in estimated number of awards per full-time equivalent student, which measures the reach of a state’s grant programs, reflect this diversity of approaches. Despite this variety in state approaches to provide grant aid within New England, however, all the states, except Vermont, dedicate a significantly smaller share of total state fiscal support for higher education to grant expenditures than the national average, resulting in less need-based grant aid and total grant aid per full-time equivalent undergraduate student (Figure 5).

These comparatively low state subsidies, paired with historically high tuition and fees rates, continue to put a greater strain on median household income for students and families in New England than in the rest of the country.
Acknowledgements

NEBHE would like to thank Lumina Foundation for its generous support in helping make this report possible. NEBHE would also like to thank SHEEO and institution staff from each of the six New England states for their efforts and assistance with compiling data for this report as well as individuals from state-based nonprofit organizations that administer state financial aid programs.

Tuition and Mandatory Fees

Tuition and mandatory fee values were submitted to NEBHE by state system offices. The data presented in this report are not adjusted for inflation nor weighted by enrollment, i.e. institutions that enroll fewer students carry the same weight as institutions that enroll more students in any calculations of averages. The figures presented in this report do not include prices for room and board nor do they take student financial aid awards into account. In other words, the analyses included here focus on the published tuition and fee rates at public postsecondary institutions, not on the net tuition and fee rates students might pay based upon their financial circumstances and aid. Notably, mandatory fees at some public institutions are as high or higher than tuition.

Enrollment Data

NEBHE analyzed data from the Integrated Postsecondary Education Data System (IPEDS) as a basis for the facts and figures regarding unduplicated headcount of undergraduate students enrolled in each state from July 2011 to June 2012. Only Title IV-eligible degree-granting postsecondary institutions are included. Branch campuses of a state system are counted as separate institutions if reported separately to IPEDS.

Affordability

Share of median household income needed to pay published tuition and fees as a metric for affordability was used for its universality. Other commonly used metrics, such as the average net price (average net price for full-time, first-time degree/certificate-seeking undergraduates paying the in-state or in-district tuition rate who received grant or scholarship aid from federal, state or local governments, or the institution) available via IPEDS, only speak to a specific and sometimes small population of students, while other metrics, such as student debt loads and cohort default rates, comment only on students who have already left higher education, and may not necessarily reflect the discussion students and families are having about whether or not to enroll in college at all.

Data on median household income were retrieved from the American Community Survey (ACS) for each New England state, the region and the nation. The most recent year of ACS data available at the time of publication was 2012. Dollar amounts are in current dollars. Tuition and mandatory fees as a share of median household income were found by dividing in-state tuition and fee rates by median household income values.

State Financial Aid

This report focuses primarily on state-funded or state-managed financial aid. Information about state financial aid was aggregated from the most recent National Association of State Student Grant and Aid Programs (NASSGAP) Survey (2012), the National Conference of State Legislatures, state websites, and correspondence with staff from state agencies or state-based nonprofits that administer state financial aid programs. State websites and financial aid professionals were deemed the most authoritative source if discrepancies arose. Some analyses were conducted by NEBHE using NASSGAP data and data provided by states.

Estimated need-based undergraduate grant dollars per full-time equivalent undergraduate student - juxtaposed with average in-state tuition and fees for public 2- and 4-year institutions - as a metric for gauging the level of need-based gift aid awarded was used for its ability to speak to several characteristics: the breadth of need-based grant aid, the depth of need-based grant aid, and the comparability between states with different eligibility requirements, among others. It may not be as useful for states with portable grants or a high share of non-resident students enrolled in-state. Readers should consider this metric just one factor of many that affect college affordability.

Quotations


Additional Information

The New England Board of Higher Education’s Office of Policy and Research monitors these and other trends in higher education. An electronic copy of this report, as well as the source data used for analysis, can be found on our website at www.nebhe.org/PublicTuition2013. Questions and comments regarding this report can be directed to Gretchen Syverud at gsyverud@nebhe.org or (617) 333-9522.
Public Tuition and Fees in New England
State Appendix

Tuition and Fee Rates at New England Public Colleges and Universities, 2008-09 through 2013-14

March 2014
How Many Students Do Public Institutions in Connecticut Serve?

Looking at the unduplicated undergraduate headcount of all students enrolled in colleges and universities in Connecticut from July 2011 to June 2012:

- The share of students enrolled in public institutions in the state is higher than New England’s overall 61%.
- Students enrolled in Connecticut’s public 2-year institutions outnumber students enrolled in public 4-year institutions by almost 10 percentage points, making the share of students in public 2-year institutions the highest in the region.

How Much Does it Cost to Attend a Public Institution in Connecticut?

<table>
<thead>
<tr>
<th>Academic Year 2013-14</th>
<th>Average Tuition &amp; Fees</th>
<th>1-Year Change</th>
<th>5-Year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>In-State</td>
<td>Out-of-State</td>
<td>In-State</td>
</tr>
<tr>
<td>Connecticut 2-Years</td>
<td>$3,786</td>
<td>$11,318</td>
<td>5.2%</td>
</tr>
<tr>
<td>New England 2-Years</td>
<td>$4,553</td>
<td>$10,438</td>
<td>2.2%</td>
</tr>
<tr>
<td>Connecticut 4-Years</td>
<td>$9,088</td>
<td>$20,260</td>
<td>4.9%</td>
</tr>
<tr>
<td>New England 4-Years</td>
<td>$10,306</td>
<td>$21,578</td>
<td>1.7%</td>
</tr>
</tbody>
</table>

Fiscal Year 2012 Median Household Income:

- Connecticut: $67,726, 1.7% change over 5 years.
- New England: $61,606, 2.4% change over 5 years.

As in the rest of New England, tuition and fees at public institutions in Connecticut have risen sharply over the past five years.

- Unlike the region, however, Connecticut’s rate of increase has not slowed in the past year.
- Connecticut’s relatively high median income coupled with middle-of-the-road tuition and fee rates make it the most affordable public higher education state in New England, with 5.6% and 14% of median household income needed to pay for average in-state 2- and 4-year tuition and fees, respectively.
What Strategies Does Connecticut Use to Increase College Affordability for Students?

Connecticut has recently replaced a number of specific need- and merit-based aid programs (Capitol Scholarship, Aid for Public College Students, Independent College Student Grant Program) with a comprehensive grant program called the Governor’s Scholarship, available beginning academic year 2013-14. Under the Governor’s Scholarship umbrella are separate grants for a need- and merit-based award (maximum award of $4,500) and a solely need-based award (maximum award of $3,000). The Governor’s Scholarship seeks to “ensure a more equitable method of awarding student aid in which recipients know in advance how much assistance they will receive over the course of their college career” (Gov. Dannel P. Malloy, 2013). The Governor’s Scholarship is available for Connecticut residents who attend any public or private nonprofit institution in Connecticut at least half-time (six or more credits).

Connecticut also runs the Minority Teacher Incentive Grant and the Weisman Teacher Scholarship, a unique combination grant and loan-reimbursement program (maximum grant award of $5,000 per year for the last two years of college and a maximum stipend of $2,500 per year for up to four years of teaching) to incentivize teaching in Connecticut public schools. Both programs are open to minority students interested in teaching, the latter targeting specifically those interested in teaching math or science in middle or high school. Like most states, Connecticut also offers tuition waivers for veterans and children raised in foster care.

The state provides options for longer-term financial aid as well. The Connecticut Higher Education Supplemental Loan Authority (CHESLA) serves as an alternative source of loan funds for students by making low-cost, fixed-rate loans available to residents. TIAA-CREF Tuition Financing Inc. manages the state’s 529 college savings plan, called the Connecticut Higher Education Trust (CHET), offering a generous state income tax deduction, federal and state tax-free growth and withdrawals, and the ability to transfer beneficiaries.

Between 2007-08 and 2011-12, the estimated need-based grant award per full-time equivalent undergraduate student shrank 28% ($147) as published in-state tuition and fees grew at 2-year institutions 23% ($662) and at 4-year institutions 24% ($1,610), further expanding the gap between grant funding and published tuition and fees at public institutions in Connecticut.
How Many Students Do Public Institutions in Maine Serve?

Looking at the unduplicated undergraduate headcount of all students enrolled in colleges and universities in Maine from July 2011 to June 2012:

- The share of students enrolled in public institutions in Maine is the highest in New England.
- While the proportion of students enrolled in 2-year institutions is typical for the region, an unusually high share of public higher education students are enrolled in 4-year institutions, compared with New England’s overall 29%.

How Much Does it Cost to Attend a Public Institution in Maine?

Maine Tuition and Fees

- Maine has the lowest average published tuition and fees rates in New England.
- However, the state also has the lowest median income in the region.
- Average in-state tuition and fees rates for public 2-year institutions have remained at the level of approximately 7.2% of state median income for the past five years.
- Average in-state tuition and fees rates for public 4-year institutions have increased from representing 16% of median household income in 2008 to 19% in 2013, though this increase is slightly smaller than the New England average.
What Strategies Does Maine Use to Increase College Affordability for Students?

Maine’s primary tool for immediate financial aid relief for students and families is the State of Maine Grant Program. In the past five years, the need-based grant has been disbursed annually to approximately 18,000 to 25,000 students, depending on the year—a broad reach for a state with low population and low educational attainment rates relative to the region. Students are selected to receive the grant based on Expected Family Contribution (EFC), or the amount families are expected to pay based on the Free Application for Federal Student Aid (FAFSA). Specifically, students must have an EFC under $3,000 and attend any institution in Maine or any institution eligible through NEBHE’s Regional Student Program at least half-time. In 2013-14, the maximum award is $1,000.

In addition to grant aid, Maine offers a number of loan-forgiveness and repayment-assistance programs for students and graduates who stay in the state in high-need occupational areas, such as education, public service legal practice, and medicine and health professions. Student and post-graduation residency eligibility requirements differ for each program depending on what situation best serves the state.

The state of Maine’s 529 college savings plan affords great opportunities for making college more affordable while requiring a great deal of planning and forward thinking for both the state and young families. The aptly named NextGen College Investing Plan, a 529 college savings plan, offers initial matching grant incentives for opening an account and a 50% match on contributions made to Maine accounts up to a $1,000 lifetime maximum, regardless of family income. As part of this plan, the Harold Alfond College Challenge Grant offers a one-time $500 grant to all babies born in Maine when a NextGen account is opened in their name, up until their first birthday. The program is managed by the Finance Authority of Maine and Merrill Lynch. While all New England states provide infrastructure for 529 college savings plans, only Maine now offers matching grants to new accounts.
How Many Students Do Public Institutions in Massachusetts Serve?

Looking at the unduplicated undergraduate headcount of all students enrolled in colleges and universities in Massachusetts from July 2011 to June 2012:

- Although Massachusetts serves the greatest number of students in New England, it is tied with Rhode Island for having the smallest proportion of these students enrolled in public institutions.
- The share of students enrolled in the Bay State’s public 4-year institutions is the smallest in the region.

How Much Does it Cost to Attend a Public Institution in Massachusetts?

<table>
<thead>
<tr>
<th>Academic Year 2013-14</th>
<th>Average Tuition &amp; Fees</th>
<th>1-Year Change</th>
<th>5-Year Change</th>
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<tbody>
<tr>
<td></td>
<td>In-State</td>
<td>Out-of-State</td>
<td>In-State</td>
</tr>
<tr>
<td>Massachusetts 2-Years</td>
<td>$ 5,193</td>
<td>$ 11,699</td>
<td>0.3%</td>
</tr>
<tr>
<td>New England 2-Years</td>
<td>$ 4,553</td>
<td>$ 10,438</td>
<td>2.2%</td>
</tr>
<tr>
<td>Massachusetts 4-Years</td>
<td>$ 9,608</td>
<td>$ 19,969</td>
<td>0.5%</td>
</tr>
<tr>
<td>New England 4-Years</td>
<td>$ 10,306</td>
<td>$ 21,578</td>
<td>1.7%</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Fiscal Year 2012</th>
<th>Median Household Income</th>
<th>1-Year Change</th>
<th>5-Year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Massachusetts</td>
<td>$ 65,339</td>
<td>3.9%</td>
<td>4.8%</td>
</tr>
<tr>
<td>New England</td>
<td>$ 61,606</td>
<td>1.7%</td>
<td>2.4%</td>
</tr>
</tbody>
</table>

Note: Tuition and fees amounts are for one year of study (2 semesters). At 2-year institutions, tuition and fees rates are based on 30 annual credits. All dollar values are in current dollars.

Source: NEBHE analysis of data from state system offices and the 2007-12 American Community Surveys

- Tuition and fees for Massachusetts public 2-year institutions are above the regional average for both in- and out-of-state students, while these rates at 4-year institutions fall below the regional average.
- Since 2013, 2- and 4-year institutions have minimally increased tuition and fees rates.
- Over the past five years, in-state tuition and fees at public 2-year institutions rose at a rate well above the regional average; median household income in the Commonwealth also grew much faster than the region’s.
- Public 4-year institutions in Massachusetts are the second-most affordable in the region by share of median income needed to pay published tuition and fees.
What Strategies Does Massachusetts Use to Increase College Affordability for Students?

As the most populous state with the highest number of institutions in New England, Massachusetts also has the broadest and deepest arsenal of financial aid tools for its residents. It offers numerous grants, scholarships and tuition waivers catered to different student populations based on a mix of need-, merit- and discipline-based criteria. Its primary need-based grant aid program is the MASSGrant. Financial need for the grant is defined as an Expected Family Contribution (EFC) of $5,081 or less for academic year 2013-14, which is determined by the Free Application for Federal Student Aid (FAFSA). Students may attend any institution in Massachusetts or state-approved institutions in New England, Pennsylvania, or the District of Columbia, as long as they are enrolled full-time. The maximum award amount is $1,600 for academic year 2013-14.

Massachusetts provides aid options to the most commonly supported groups, such as foster children, children or spouses of public servants killed in the line of duty, public school teachers, and those preparing to enter or committing to staying in high-need disciplines in state (e.g. technology, engineering). Other aid programs include a matching grant for nursing students and tuition waivers at public 4-year institutions for students who graduate from a public 2-year institution with a minimum grade point average.

In addition to a traditional 529 college savings plan (the U.Fund), with its host of tax advantages and benefits, Massachusetts also offers the only prepaid tuition plan in New England (the U.Plan). The U.Plan allows residents and non-residents to buy “tuition certificates” that represent a certain amount of today’s tuition at each of the participating colleges and universities for future use, thereby safeguarding against the rising cost of college in real dollars. Like the 529 plan, U.Plan bonds are tax-free.
How Many Students Do Public Institutions in New Hampshire Serve?

Looking at the unduplicated undergraduate headcount of all students enrolled in colleges and universities in New Hampshire from July 2011 to June 2012:

- The share of students enrolled in all public institutions in New Hampshire closely matches New England overall.
- The breakdown of enrollments in New Hampshire institutions by level also resembles the region overall.

How Much Does it Cost to Attend a Public Institution in New Hampshire?

- Tuition and fees for in-state students at public 2- and 4-year institutions in New Hampshire are above the New England average.
- Average rates for in-state students at New Hampshire public 4-year institutions are the highest and have increased at the fastest rate in the region.
- While median household income in New Hampshire is above the regional average, disproportionately high prices pull the state toward the less affordable end of New England states in terms of what share of median household income is required to pay published tuition and fees.
What Strategies Does New Hampshire Use to Increase College Affordability for Students?

After eliminating its primary state need-based grant aid program in 2012, the state of New Hampshire now only offers scholarships and a 529 savings plan to students. Like its New England neighbors, New Hampshire offers tuition waivers to students attending public institutions in New Hampshire if they are the children of New Hampshire police officers or firefighters killed in the line of duty.

The state also provides resident and non-resident families the opportunity to take advantage of 529 college savings plans, the UNIQUE College Investment Plan and the Fidelity Advisory 529 Plan, both managed by Fidelity Investments. The UNIQUE plan offers additional benefits over the traditional 529 plan, including exemption from the state’s dividend and interest tax, no annual fee and a high contribution limit of maximum market value of $375,000.

Each month, the state’s share of revenue from the UNIQUE plan is distributed to institutions in New Hampshire to fund two different scholarship programs: the UNIQUE Endowment Allocation Program (UEAP) and the UNIQUE Annual Allocation Program (UAAP). Approximately 80% of the revenue goes to UEAP, which funds separate, independent endowments at participating New Hampshire public and private nonprofit institutions from which scholarships are disbursed at the discretion of the institution to New Hampshire resident students who are Pell-eligible. The minimum award amount for the UEAP scholarship is $1,000 per student. The remaining 20% of revenue, less some small operating costs, goes to UAAP, which provides funds to New Hampshire public, private nonprofit, and private for-profit institutions to disburse scholarships directly to New Hampshire resident students based on need. For academic year 2013-14, the maximum Expected Family Contribution (EFC) is $0, and the maximum award amount is $700 for full-time students or $350 for part-time students. The 2012-13 biennial budget had largely eliminated these programs but they were recently re-instated by the New Hampshire state legislature effective academic year 2013-14.
How Many Students Do Public Institutions in Rhode Island Serve?

Looking at the unduplicated undergraduate headcount of all students enrolled in colleges and universities in Rhode Island from July 2011 to June 2012:

- With just three public institutions—the fewest of all the New England states—the share of students enrolled in Rhode Island’s public institutions is the lowest in the region, tied with Massachusetts.
- Students at Rhode Island’s public two-year institution, the Community College of Rhode Island, are spread out over six locations.
- Students enroll in Rhode Island public 2-year and 4-year institutions in equal proportions, a break from regional trends that typically see a greater share of students enrolled in public 2-year institutions.

How Much Does it Cost to Attend a Public Institution in Rhode Island?

<table>
<thead>
<tr>
<th>Academic Year 2013-14</th>
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<tr>
<td></td>
<td>In-State</td>
<td>Out-of-State</td>
<td>In-State</td>
</tr>
<tr>
<td>Rhode Island 2-Years</td>
<td>$3,950</td>
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<td>0.0%</td>
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<tr>
<td>New England 2-Years</td>
<td>$4,553</td>
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<td>2.2%</td>
</tr>
<tr>
<td>Rhode Island 4-Years</td>
<td>$10,026</td>
<td>$23,158</td>
<td>0.0%</td>
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<tr>
<td>New England 4-Years</td>
<td>$10,306</td>
<td>$21,068</td>
<td>1.7%</td>
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<th>Fiscal Year 2012</th>
<th>Median Household Income</th>
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<td>Rhode Island</td>
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Note: Tuition and fees amounts are for one year of study (2 semesters). Tuition and fees rates are based on 24 annual credits. All dollar values are in current dollars.

Source: NEBHE analysis of data from state system offices and the 2007-12 American Community Surveys

- With a decision to freeze tuition and fees rates in 2013, Rhode Island has been able to arrest the ascent of the cost of attending an in-state public institution—especially important for students enrolling in public 4-year institutions, where tuition and fees over the past five years had increased at a rate higher than the rest of the region.
- In terms of the share of median household income required to pay published in-state tuition and fees, both Rhode Island 2- and 4-year institutions fall close to the regional average.
What Strategies Does Rhode Island Use to Increase College Affordability for Students?

Rhode Island’s grant aid comes in both need-based and need-and-merit-based forms: the Rhode Island State Grant Program and the Academic Promise Program, respectively. Both grants are portable to any Title IV-eligible institution in North America as long as the student is enrolled at least half-time. Although the Academic Promise Program has a merit component, award amounts in both programs are based at least in part on a student’s Expected Family Contribution (EFC). The Academic Promise Program is dependent upon meeting academic merit requirements before college (standardized tests) and during college (grade point average). Financial need is calculated using a formula that takes into account tuition and fees (capped at the highest Rhode Island in-state public institution rate), a standard living allowance, EFC, and estimated Pell Grant.

Rhode Island residents who file a Free Application for Federal Student Aid (FAFSA) by March 1 are automatically considered for the Rhode Island State Grant. For academic year 2013-14, the maximum award amount is $750 per year, and most recipients are awarded the maximum amount. The State Grant’s reach has been steadily growing in the past five years, as the number of recipients has increased by approximately 50%, while the average award amount has decreased by approximately 30%.

Rhode Island provides an option for longer-term solutions to college affordability through its 529 college savings plan, the CollegeBoundfund. The CollegeBoundfund offers generous tax deductions, an unlimited carry-forward of excess contributions, and has no income limits. This plan offers an incentive for families to open new accounts as early as possible with the CollegeBoundfund Baby program, whereby every baby born or adopted as a Rhode Island resident on or after July 1, 2010, is eligible to receive a one time $100 contribution to an account established for his or her benefit. The state had offered a matching grant program for low- and moderate-income Rhode Island families, but this program is no longer available to new accounts. Rhode Island is one of a handful states across the nation, however, to preclude assets held in 529 plans when determining eligibility for state need-based financial aid.
How Many Students Do Public Institutions in Vermont Serve?

Looking at unduplicated undergraduate headcount of all students enrolled in colleges and universities in Vermont from July 2011 to June 2012:

- Together, the share of students enrolled in public institutions in Vermont resembles the region overall.
- However, the proportion of students enrolled in public 2-year institutions is the lowest in New England and the proportion in public 4-year institutions is the highest, making the breakdown between public 2-year and 4-year institutions very unusual for the region.
- Students at Vermont’s public two-year institution, the Community College of Vermont, have the choice to enroll in courses at 12 twelve different locations or online.

How Much Does it Cost to Attend a Public Institution in Vermont?

Average Published Tuition and Fees at Public Institutions and Median Household Income in Vermont and New England

<table>
<thead>
<tr>
<th>Academic Year 2013-14</th>
<th>Average Tuition &amp; Fees</th>
<th>1-Year Change</th>
<th>5-Year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>In-State</td>
<td>Out-of-State</td>
<td>In-State</td>
</tr>
<tr>
<td>Vermont 2-Years</td>
<td>$5,698</td>
<td>$11,266</td>
<td>5.5%</td>
</tr>
<tr>
<td>New England 2-Years</td>
<td>$4,553</td>
<td>$10,438</td>
<td>2.2%</td>
</tr>
<tr>
<td>Vermont 4-Years</td>
<td>$11,814</td>
<td>$25,312</td>
<td>3.9%</td>
</tr>
<tr>
<td>New England 4-Years</td>
<td>$10,306</td>
<td>$21,578</td>
<td>1.7%</td>
</tr>
</tbody>
</table>

Fiscal Year 2012

<table>
<thead>
<tr>
<th>Median Household Income</th>
<th>1-Year Change</th>
<th>5-Year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vermont</td>
<td>$52,977</td>
<td>0.4%</td>
</tr>
<tr>
<td>New England</td>
<td>$61,606</td>
<td>1.7%</td>
</tr>
</tbody>
</table>

Note: Tuition and fees amounts are for one year of study (2 semesters). Tuition and fees rates are based on 24 annual credits. All dollar values are in current dollars.

Source: NERHE analysis of data from state system offices and the 2007-12 American Community Surveys

Share of Median Household Income (2012) Needed to Pay Average In-state Tuition and Fees (2013-14)

- Vermont has the highest average in-state tuition and fees rates at 2-year public institutions and the second highest in-state tuition and fees rates at 4-year public institutions in New England.
- Coupled with the second lowest median household income in the region, this ranks Vermont as the least affordable public higher education state in New England.
- Tuition and fees for out-of-state students at both 2- and 4-year public institutions in Vermont have echoed this trend, increasing at a higher rate than the regional average.
What Strategies Does Vermont Use to Increase College Affordability for Students?

Grant aid disbursed by the state of Vermont serves three different populations of students under three different names, but the stipulations are largely the same. The Incentive Grant requires students to enroll full-time; the Part-Time grant is aimed at students enrolling in fewer than 12 credits per term; and the Non-Degree Grant was designed for residents enrolled in non-degree programs that improve employability or encourage further study, but the methodology used to calculate family contribution is similar across all programs. In addition to serving students enrolled at different course load levels, all three programs vary the size of the award by the cost of academic program where the student is enrolled, taking into consideration tuition, fees, room and board for Incentive and Part-Time Grant recipients and tuition and fees for Non-Degree Grant recipients.

Minimum and maximum award amounts for all three grants are determined annually and are awarded on a first-come, first-served basis dependent on funding availability. All Incentive and Part-Time Grants are portable to any Title IV-eligible postsecondary institution within the U.S. or Canada while Non-Degree awards do not require Title IV-eligibility.

Vermont incentivizes families to save for college through the Vermont Higher Education Investment Plan (VHEIP), the state’s 529 college savings plan. The plan allows residents and non-residents to contribute tax-free, with no income limitations, toward funds that can be used at eligible schools across the nation. Additionally, Vermont taxpayers are eligible for a tax credit up to $250 per beneficiary per year for investing in the fund. The 529 college savings plan is managed by TIAA-CREF.