Vermont State Colleges

Board of Trustees

Special Meeting

January 28, 2015

Johnson State College
Johnson, Vermont

Board Meeting Dates

August 1, 2013	Chancellor's Office, Montpelier, VT
September 17 & 18, 2013	Lake Morey Resort, Fairlee, VT
October 31, 2013	Community College of Vermont – Upper Valley
December 12, 2013	Lyndon State College
February 20, 2014	Johnson State College
April 3, 2014	Vermont Technical College - Randolph
May 22, 2014	Castleton State College
July 31, 2014	Chancellor's Office, Montpelier, VT
September 23 & 24, 2014	TBD

VSC Chancellor's Office

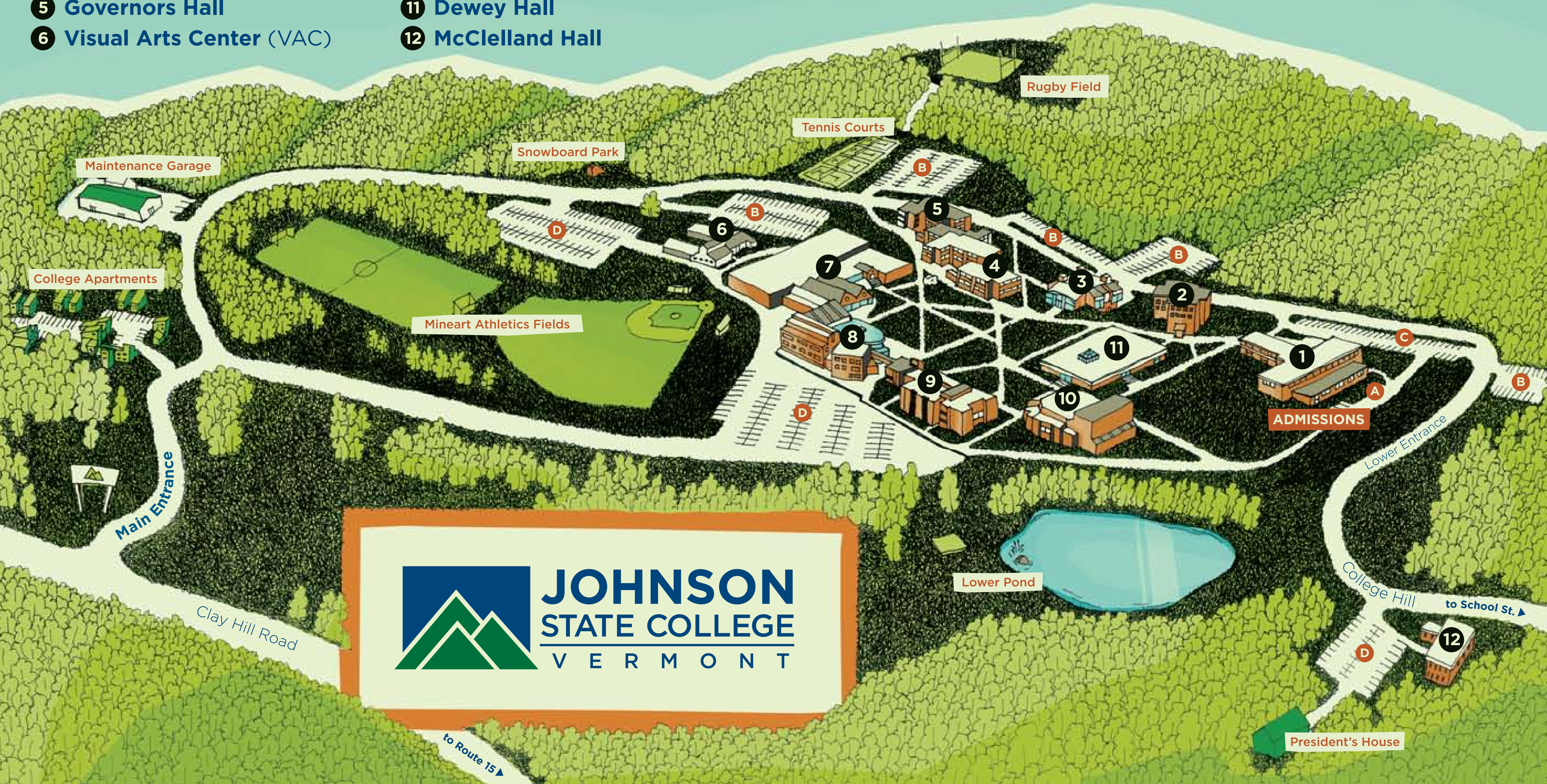
Jeb Spaulding, Chancellor

Vice President and Chief Financial Officer	**Thomas Robbins**
Vice President and General Counsel	**William Reedy**
Executive Assistant to the Chancellor	**Elaine Sopchak**
Chief Academic and Academic Technology Officer	**Yasmine Ziesler**
Interim Chief Information Officer	**Dianne Pollak**
Director of External and Governmental Affairs	**Tricia Coates**
Director of Facilities	**Richard Ethier**
Director of Human Resources	**Nancy Shaw**
Director of Institutional Research	**Hope Baker-Carr**
Director of Payroll and Benefits	**Tracy Sweet**
Chief Technology Officer	**Richard Blood**
Controller	**Deborah Robinson**

1. **Martinetti Hall** (Admissions)
2. **Arthur Hall**
3. **Stearns Student Center**
4. **Senators Hall**
5. **Governors Hall**
6. **Visual Arts Center** (VAC)
7. **SHAPE Center / Carter Gym**
8. **Library & Learning Center** (LLC)
9. **Bentley Hall**
10. **Dibden Center for the Arts**
11. **Dewey Hall**
12. **McClelland Hall**

PARKING AREAS:

- A Visitors
- B Students
- C Faculty/Staff
- D Faculty/Staff/Commuters



VERMONT STATE COLLEGES
BOARD OF TRUSTEES SPECIAL MEETING
January 28, 2015 12:00 p.m.

Johnson State College
Bentley Hall, Room 207
Johnson, Vermont

ORDER OF BUSINESS

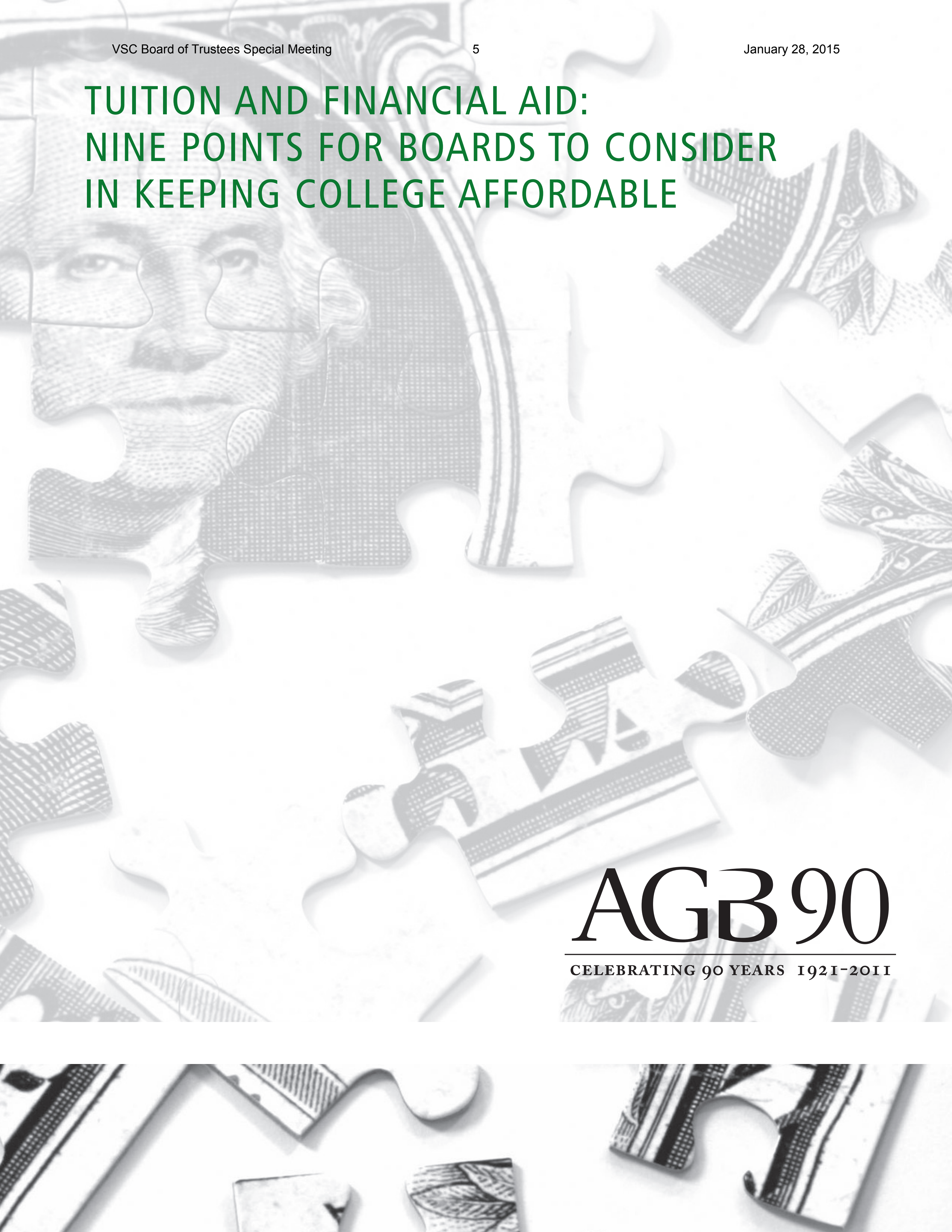
A. Panel Discussion
Panelists:
Joe Moore, President of Lesley University
Joe Bertolino, President of Lyndon State College
Dan Smith, President of Vermont Tech
Pam Chisholm, Dean of Enrollment Management for CCV
Maurice Ouimet, Dean of Enrollment Management for Castleton College
Alyssa Slaimen, Student Trustee from Johnson State College

B. VSC Financial Discussion

C. Comments From The Public

D. Preparation For February Board Meetings

TUITION AND FINANCIAL AID: NINE POINTS FOR BOARDS TO CONSIDER IN KEEPING COLLEGE AFFORDABLE



AGB 90

CELEBRATING 90 YEARS 1921-2011

About AGB

For 90 years, the Association of Governing Boards of Universities and Colleges (AGB) has had one mission: to strengthen and protect this country's unique form of institutional governance through its research, services, and advocacy. Serving more than 1,200 member boards and 36,000 individuals, AGB is the only national organization providing university and college presidents, board chairs, trustees, and board professionals of both public and private institutions with resources that enhance their effectiveness.

In accordance with its mission, AGB has designed programs and services to strengthen the partnership between the president and governing board; provide guidance to regents and trustees; identify issues that affect tomorrow's decision making; and foster cooperation among all constituencies in higher education.

For more information, visit *www.agb.org*.

Tuition and Financial Aid in Difficult Economic Times

Written by Sandy Baum.

Design: *www.design291.com*

PDF copies of this report are available for download online at *www.agb.org*.

TUITION AND FINANCIAL AID: NINE POINTS FOR BOARDS TO CONSIDER IN KEEPING COLLEGE AFFORDABLE

The headlines report that college tuition is rising rapidly and students are struggling to pay for college. Financial-aid issues have also been in the news lately, with questions about student debt particularly prominent. Non-tuition revenues are weak because of declining state appropriations, depleted endowments, and anemic annual giving. At the same time, institutional expenditures continue their upward spiral as health-care costs rise, demands on the financial-aid budget increase, new regulations demand compliance, and maintenance and facilities repairs can no longer be deferred.

How should trustees think about the options available for tuition and financial aid in these difficult economic times? What questions should they be asking to guide their efforts to support the fiscal strength and educational quality of their institutions, at the same time assuring students and their families that college is affordable?

1. IS TUITION RISING AT UNPRECEDENTED RATES?

In 2010-11, the tuition and fees for full-time students enrolled in public four-year colleges and universities in their states of residency average $7,605; for out-of-state students the average is $19,595. At private, nonprofit institutions, it is $27,293. Public two-year colleges list an average price of $2,713, while for-profit institutions charge about $13,935.

Residential colleges frequently focus on the comprehensive fee, which also includes room and board charges. That averages $16,140 for in-state, public, four-year college students and $36,993 at private, nonprofit colleges.

Over the past decade, tuition at public four-year colleges has risen at an average annual rate of 5.6 percent beyond general inflation. That compares to 3.3 percent in the 1990s and 4.2 percent in the 1980s. The early years of the first decade of the 21st century saw the largest increases. Tuition and fees were 38 percent higher in constant dollars in 2005-06 than in 2000-01, and 24 percent higher in 2010-11 than in 2005-06.

Although private-college prices have also been rising much more rapidly than the Consumer Price Index, the growth rate of 3 percent per year beyond inflation in the past decade is just slightly higher than the rate of growth in the 1990s—and much lower than the 5.1 percent per year in the 1980s. Public two-year-college published prices rose more slowly in the most recent decade than in either the 1980s or the 1990s.

So it's true that published prices are rising faster than average prices in the economy, and prices at public four-year colleges have been rising especially rapidly by historical standards. But it's also true that this is a long-term pattern, not a new development.

Questions trustees should ask:

- How do tuition and fees at your institution compare to the national average for your sector? For your type of institution within the sector?
- Tuition levels vary considerably across regions of the country and by state. How does your institution compare to others near you?
- Why is your price higher or lower than the relevant average?

"Financial aid constitutes a growing portion of the budget for most colleges and universities. As prices rise more rapidly than family incomes, more students need assistance to make enrollment possible."

2. WHY DOES THE PRICE OF COLLEGE GO UP SO RAPIDLY?

Some of the pressures on tuition are similar across sectors, while others affect public and private colleges differently. The obvious difference leading to larger increases in the public sector in recent years is the impact of state budget constraints.

In 1999-2000, state governments appropriated $73 billion in 2009 dollars for the operation of public colleges and universities. In 2009-10, they appropriated $79 billion—down from a high of $83 billion in 2007-08. But the real story emerges only when rising enrollments are also considered. The $73 billion in 1999-2000 generated $9,156 (in 2009 dollars) per full-time equivalent (FTE) student. That amount had fallen to $8,571 in 2007-08 and $7,418 by 2009-10. Over the decade, the number of FTE students in public four-year colleges increased from 8 million to 10.7 million. Clearly the need to supplement declining per-student state support is one explanation for rising tuition levels in the public sector.

Private colleges face their own revenue problem in these tight economic times: Those fortunate enough to have endowments that contribute significantly to operating expenditures were jolted by the collapse of the financial markets. In 2008-09, endowment assets in private nonprofit colleges were at about 70 percent of their 2006-07 values. While these values have partially recovered, annual giving remains weak, and non-tuition revenues are viewed as much less reliable than they were just a few years ago.

Colleges and universities also face cost pressures. Productivity has increased in the economy along with the sophistication of both capital and labor; technological innovation and a more highly skilled labor force have allowed Americans to produce things using fewer resources over time. But the prices of personal services tend to go up more rapidly than the prices of manufactured goods. So, just as it still takes four violinists to play a quartet in live performance, most classroom learning environments still require a professor interacting with students. Productivity increases have not been easy to come by in higher education.

In fact, we are not even sure how to define productivity in education. Is it the number of class hours or degrees produced per hour of professorial time? Would larger classes mean more productivity? How does quality factor in?

The fact that a high percentage of college and university employees are highly skilled exacerbates the cost issue. As earnings inequality has increased over time, with the gap between the wages of people with a high-school diploma and those with a college education widening, the pressures on service industries that employ highly trained labor have been greater than those on other industries. The prices of legal services and medical/dental care have also gone up much faster than the average price level.

Many other factors contribute to the rapid rise in college tuition. Employee benefits have increased much faster than salaries, largely because of the rise in the cost of health care. Energy prices have been very volatile. Colleges spend much more on technology than they did before they had to provide computers all over campus, wired classrooms, and access to other high-tech innovations.

Unfortunately, colleges and universities have responded with less agility than many other organizations to such cost pressures. Most institutions have not been very successful at increasing the efficiency of their operations, cutting programs and services when new ones are added, or finding ways to carry out their mission using fewer resources.

Financial aid constitutes a growing portion of the budget for most colleges and universities. As prices rise more rapidly than family incomes, more students need assistance to make enrollment possible. In addition, colleges have increased their use of financial aid as a strategic tool helping them to compete with other institutions for desirable students. Smaller financial-aid budgets might allow lower sticker prices but, as discussed below, could in fact make college less affordable.

Questions trustees should ask:

- How fast has your institution's sticker price gone up in recent years?
- How have non-tuition revenues changed in recent years?
- What are the major cost pressures at your institution?

3. DOES THE STICKER PRICE REALLY MATTER?

Whether or not a student can afford to go to college—or to a particular college—does not depend on the sticker price. More than half of all undergraduate students, including over two-thirds of those who are enrolled full-time, receive grant aid to help them pay the price.

It is the net price—the price after taking grant aid (and federal education tax credits and deductions) into consideration—that hits students' pocketbooks and determines whether or not they can manage. Because much of this grant aid, particularly for students at private nonprofit colleges, comes from the institutions themselves, efforts to keep sticker prices low may actually diminish affordability.

Colleges and universities awarded about $33 billion in grant aid to postsecondary students in 2009-10, an increase of about 70 percent in inflation-adjusted dollars over a decade. If they did not award this aid, they might be able to have lower sticker prices. But many who now rely on this assistance to enroll would face insurmountable financial barriers.

The importance of net prices does not mean that sticker prices don't matter at all. Many students do pay these prices. About 20 percent of students in public four-year institutions and over half of those in private nonprofit institutions received institutional grants in 2007-08. The rest paid the sticker price, many with the help of grant aid from other sources.

Sticker prices also matter for perceptions. The financial-aid system is quite complicated and many potential students do not understand that they won't have to pay the full price. They may fail to apply because they believe they won't be able to afford the tuition. And only those who apply and are accepted are told exactly how much it will cost them to attend.

As of October 2011, all institutions will be required to post net price calculators on their Web sites. These calculators will provide students with estimates of how much they would probably have to pay if they enrolled, given their financial and academic characteristics. It is possible that such calculators will significantly increase the information on which students base their decisions about where to apply. But they will certainly not fully solve the problem.

Questions trustees should ask:

- How many students at your institution pay the full sticker prices without a discount?
- When does your institution inform students about the financial aid they will receive?
- Has your institution developed its net price calculator yet?

4. HOW MUCH SHOULD YOUR INSTITUTION RAISE ITS PRICE?

Unfortunately, there are no simple rules to follow in setting your institution's tuition for the coming years. For some institutions, a cut in the sticker price might be a healthy move. For others, freezing tuition for a year or two could have a positive impact. But for most institutions, the question is how much to raise the price. One consideration is what your competitors will be doing. Both public and private colleges face considerable pressure to keep price increases in check.

For instance, beginning in 2011, the U.S. Department of Education will be required by law to publish annual lists of the 5 percent of colleges and universities in nine different categories with the highest tuition and largest tuition increases. It is unclear what the impact of that practice will be, but it clearly adds to the public pressure to mitigate price increases. There is also some evidence that students are becoming more price-sensitive as prices rise relative to incomes.

It is important not to let that pressure lead to the idea that students will simply not choose your institution if it is more expensive than an alternative. Price is only one factor in college choices—and net price matters most. Students choose location, academic programs, facilities, and the opportunities they think they will have. If the institution's leaders don't believe that their institution can attract students through the quality of its program, it will probably be a hard sell for students. Too low a price and too much bargaining can convey the idea that price is the best thing the college or university has going for it.

Questions trustees should ask:

- How does your institution's tuition compare to the tuition of institutions with which you compete for students?
- What do you know about why students choose your institution—or your competitors?
- When you raise your tuition, how much new net revenue is generated?

5. IS TUITION DISCOUNTING THE SAME THING AS FINANCIAL AID?

Institutional grant aid sounds like a good thing. Institutions are giving students money to help them pay the tuition. The funds may be based on student and family financial circumstances or on academic or athletic performance, rewarding students for their accomplishments and inducing them to choose the institution making them the offer.

Tuition discounting sounds more questionable. It sounds like what car dealers do. "You seem like someone who is likely to go elsewhere if we don't give you a good deal. We'll lower the price for you." But in fact, these are just two different names for exactly the same pricing strategy.

Colleges and universities use a pricing pattern that economists call "price discrimination." They charge different people different prices for the same product. Movie theaters do this when they charge lower prices for children or senior citizens. Airlines do this when they charge different prices depending on when and where you buy your ticket and how long you plan to stay. Car dealers do this when they bargain differently depending on their sense of how much you are willing to pay.

Price discrimination is not a bad thing. At most public and private nonprofit colleges and universities, even full-pay students are subsidized. The sticker price is less than the average cost of educating a student. The difference is made up through a combination of government subsidies and revenues from endowments and other private sources.

Some students can easily afford the sticker price, and would be able and willing to pay even more. They are not being cheated, and lower prices would not necessarily change their opportunities or their choices. Other students are not able or willing to pay the current sticker price. Charging them a lower price makes it possible and desirable for them to enroll.

Some institutions have long waiting lists of students willing to pay their sticker prices. Most of these are highly selective, nationally known, private colleges or flagship public universities. These institutions discount their prices to attract different students than those who would enroll without financial aid. They want the best students they can get, and many of those students simply cannot pay on their own. They may also want students with particular capabilities who will be drawn in by financial aid. For those institutions, financial aid is an expenditure made to shape the student body.

Many other institutions would have empty seats if they did not discount so generously. If they lowered the sticker price enough to fill the class, their total revenues would be too low to operate. But if they can draw in some full pay students, while charging others a lower price—something close to the maximum each student is willing and able to pay—they can fill their classes while taking in adequate net revenues. It would not be efficient for them to operate with empty seats. The full-pay students are

> "Students choose location, academic programs, facilities, and the opportunities they think they will have. If the institution's leaders don't believe that their institution can attract students through the quality of its program, it will probably be a hard sell for students."

no worse off because of the presence of other students who are there only because of the lower net prices they are offered. In fact, those extra students probably increase the quality of the education everyone on campus receives.

Questions trustees should ask:
- What percentage of your students receives institutional grants?
- What is the average grant received by students on financial aid at your institution?
- How fast have the numbers been increasing in recent years?

> "The motivation for merit awards varies across institutions. Some colleges want to increase the academic quality of the student body, perhaps to move up in the rankings. Others are just trying to attract enough students to survive."

6. NET VS. GROSS REVENUES

Discounting is a sensible pricing policy, but some colleges and universities are doing too much of a good thing. At certain institutions, almost no one pays the sticker price. Perhaps the practice is effective because the high sticker price conveys a sense of quality, and individual students feel wanted when they are told they are special and offered an institutional grant. But the sticker price may also scare off qualified applicants.

As long as institutions are discounting their prices for some students, the total tuition revenue they bring in is lower than the sticker price multiplied by the number of (full-time equivalent) students. For accounting purposes, many colleges think about the "gross tuition" revenue as the starting point. However, the net revenue—the amount students actually bring in, considering the lower prices that those who receive institutional grants actually pay—should be the institution's baseline in considering available resources.

Some colleges and universities have made a choice to generate lower revenues than they might be able to. Those are the few institutions described before as having long lines of qualified students willing and able to pay the sticker price. But for most institutions, the financial aid they offer is not optional. If they charged everyone the current sticker price, they would enroll many fewer students.

Some colleges rely so heavily on discounting that when they raise their tuition, they don't manage to generate new net revenues. They actually increase their grant aid by more than the extra revenues they bring in from students paying the higher prices. Recent studies of tuition discounting indicate declining net revenues in whole categories of institutions, even as sticker prices are rising. In today's economic climate, where students and families are struggling financially, some institutions are so afraid of losing students to lower-priced institutions that they are discounting away their needed operating revenues. That is not a viable long-term strategy and threatens the institution's ability to offer the educational opportunities that allow it to fulfill its mission.

Questions trustees should ask:

- How does the path of net tuition revenues over the past few years compare to the path of gross tuition revenues at your institution?
- When you raise your tuition by $100, how much of that extra tuition increases your net revenues, and how much gets spent as additional financial aid?
- How much attention do people on your campus pay to the concept of net revenues?

7. NEED-BASED AID VERSUS MERIT-BASED AID

Although the proportion of institutional grant aid that is awarded to students who cannot afford to enroll without assistance is slightly higher than it was earlier in the decade, institutions are distributing much of their aid on the basis of characteristics other than need. Some "merit" awards go to students with financial need and increase affordability as much as those dollars awarded explicitly to meet need. But many of the dollars go to students who could afford to enroll without help. Given the limited resources available, this practice increases the unmet need of students from low-income and moderate-income families.

The motivation for merit awards varies across institutions. Some colleges want to increase the academic quality of the student body, perhaps to move up in the rankings. Others are just trying to attract enough students to survive.

Some institutions rely only on need-based aid. Many of these are selective private colleges that have no difficulty filling their classes with qualified students. Their goal is to use financial aid to allow the most qualified students to enroll, including those who cannot afford to pay. They also hope to increase diversity on campus and provide educational opportunities.

Other institutions think of themselves as relying exclusively, or almost exclusively, on merit-based aid. They give the most generous grants to students with the highest test scores or the best high-school GPAs. Some of these institutions may be heavily subsidizing relatively wealthy students, while leaving lower-income students to fend for themselves. But others may be in a situation where almost all accepted students have financial need that is not met by federal and state grant aid. These institutions should establish a system to ration their aid among the students with need. This amounts to a practice of "merit within need." There are many variations on this approach. Some may involve using both financial need and academic qualifications to allocate aid.

Most institutions use some combination of need-based and non-need-based aid. They use financial aid as a strategic tool to appeal to the students they find most desirable or who have the best alternatives and are harder to get. They also use financial aid to help students who cannot afford to pay on their own. The balance between these two forms of aid varies considerably across institutions.

It is important to articulate the goals of your institution's financial-aid policies carefully, to measure the effectiveness of current aid policies and practices in meeting these goals, and to consider alternative means of reaching the same ends.

Questions trustees should ask:

- How much of the financial aid at your institution is allocated on the basis of financial need and how much is allocated on the basis of academic, athletic, or other characteristics?
- How much of the financial aid at your institution that is not need-based goes to students who have financial need?
- Has there been careful thought given on your campus to the pros and cons of subsidizing students who can afford to pay the full sticker price?

8. CAN WE AFFORD TO HELP STUDENTS AND FAMILIES PAY WHEN INSTITUTIONAL FINANCES ARE SO STRAINED?

Despite the fact that many of the most-qualified students are not able to enroll without it, need-based aid is frequently viewed as a practice based exclusively on equity. The temptation to view equity concerns as a luxury that must be sacrificed in difficult economic times is great. Without a strong bottom line, the rationalization goes, we cannot accomplish any of our goals. It is easy to look around and find other, better-funded institutions and become convinced that it is their responsibility to help low-income students. They can afford it. We cannot.

This quandary is not a new one and is not limited to times of particular financial distress. As long as there has been the possibility of using financial-aid funds to fill or shape the class—not just to provide opportunity—colleges have faced questions about balancing what is right and what is affordable. Yet, in fact, while we certainly face difficult choices, we do not have to choose between abandoning the goals of diversity and educational opportunity and risking institutional insolvency. The idea that need-based aid wins on equity grounds and non-need-based aid wins on efficiency grounds is too simplistic.

It is true that depriving low-income students of the opportunity to enroll in the institution of their choice in the interest of increasing its average SAT scores or chances of making the basketball playoffs is hard to sell as a strong ethical position. But the reality is that many institutions have difficulty attracting enough middle-income and upper-income students to bring in the needed tuition revenues. Institutions with very large endowments don't generally have this problem. But other institutions with fewer resources may find it difficult to fill seats and particularly hard to attract students from families with ample financial resources. These institutions are less selective, less prestigious, and have much less affluent student bodies. And they will not survive if none of their students can pay. Some amount of non-need-based aid designed to attract students who can pay a significant portion of their own way may increase net revenues and make it possible to provide better educational experiences—and more need-based aid than the budget would otherwise allow.

Another seemingly obvious ethical choice related to financial aid is the idea of meeting full need. The choice is between providing accepted students enough grant aid—supplemented by aid from other sources like loans and work—that they can afford the total cost of attendance or leaving them with a gap, so they have to search high and low to make ends meet if they enroll. Surely it looks "right" to meet full need. And surely it is right—if available resources are ample and the choice is between meeting full need and throwing more money at the applicants with the highest SAT scores.

But more often, meeting full need will collide with the practice of need-blind admissions, which seems similarly appealing. Meeting full need may well be feasible if the number of students with high need is limited. But it will become impossible at most institutions if they admit needy students without limit.

Some institutions solve this problem by redefining either need or financial aid. Measured need might be reduced by counting previously ignored resources or disallowing consideration of expenses such as childcare or medical costs. Need might be "met" by including a parent loan or a private bank loan and calling it student aid. A claim to equity is asserted, but the reality is much more complicated.

Similarly, the purported efficiency of strategic financial-aid practices, many of which take a very short-term perspective, may be more ambiguous than appears at first glance. Over the longer run, some of the practices adopted may backfire.

For example, if a college denies admission or financial aid to high-need students, but offers generous grant aid to less-qualified, more-affluent applicants from the same high school, this pattern will become apparent to college counselors. The institution is likely to lose both respect and qualified applicants.

Moreover, if the college succeeds in winning desirable applicants from peer institutions by offering non-need-based aid, the peer institutions are not likely to sit by idly. They will offer competitive packages. It is easy to see how competition for these students can lead to a price war, depleting institutional funds without bringing any more qualified and well-heeled students into the applicant pool. Everyone will lose in the long run—except those lucky students who could have paid full price, but who now enjoy lower net prices than even students from the lowest-income families.

The issue of destructive competition that can lead to losses for all is frequently difficult for institutions to grasp. They look at short-term successes and can't see how it could be in their interest to sacrifice those successes for the greater good. But the reality is that if all institutions behave this way, those students without the ability to pay will simply drop out of the pool and collectively the colleges will not be able to improve the quality of the students they enroll.

In fact, equity and efficiency frequently reinforce each other, both from society's perspective and for the individual college or university. Equity dictates that each institution provide the best possible education to the students who are qualified to enroll—regardless of ability to pay. That means making need-based aid a priority—possibly at the expense of institutional prestige, some campus amenities, programs, or other worthy expenditures.

Efficiency means making decisions that allow the institution to provide as much quality education at the lowest cost possible and assuring that the institution has a strong bottom line in both the short term and the long term. Rising in the rankings might be a good way to attract more applicants. Providing discounts to students who could afford to enroll elsewhere to draw them to campus might increase net revenues. Assuring financial strength is a pre-requisite to providing equitable opportunities. In other words, a focus on equity does not mean ignoring efficiency. And a focus on efficiency cannot exclude equity.

"Despite the fact that many of the most-qualified students are not able to enroll without it, need-based aid is frequently viewed as a practice based exclusively on equity. The temptation to view equity concerns as a luxury that must be sacrificed in difficult economic times is great."

Recognizing that making ethical choices is not always straightforward does not diminish—and in some ways underscores—the importance of keeping ethics in the forefront of the decision-making process. There is no question that, in recent years, the pendulum in admissions and financial aid has swung too far from a focus on equity and access and toward a focus on improving the prestige or the bottom line of the institution. This imbalance is probably exacerbated by the financial constraints imposed by the current economic circumstances, making it all the more vital that campus decision makers reject the notion that ethical priorities are a luxury they cannot afford.

Questions trustees should ask:

- How do your institution's merit aid awards compare to those of your competitors?
- Is there a good balance between long-term and short-term goals for aid?
- Do people tend to debate need-based versus merit-based aid or are they open to the idea that these policies may complement each other?

"One of the side effects of student-aid policies that focus on student characteristics other than financial need is that low-income and moderate-income students are likely to face bigger funding gaps and accumulate more education debt if they are able to enroll."

9. STUDENT DEBT

One of the side effects of student-aid policies that focus on student characteristics other than financial need is that low-income and moderate-income students are likely to face bigger funding gaps and accumulate more education debt if they are able to enroll. Still, the student debt problem is sometimes exaggerated. Student loans are an invaluable part of the college financing system. Many students' lives have been significantly improved because of the availability of these loans—without them, we would have much lower college enrollment and success rates than we now do.

Some students do borrow recklessly and end up paying a high price. But many more have manageable levels of debt that can be repaid out of the earnings premium generated by college credentials. While headlines like "How Student Debt Will Ruin your Life" and "Students Drowning in Debt" are common, they are sensationalist and misleading. About two-thirds of bachelor's-degree recipients borrow, and the typical borrower graduates with $20,000 to $25,000 in debt—depending on a combination of circumstances, including family income and the type of institution attended. The widely read stories of undergraduates who borrow $80,000 or $100,000, and of institutions where virtually all students borrow and the average debt level is close to $50,000, are not nearly as common as news articles may suggest.

That does not mean, however, that such situations don't exist. And if they exist at your institution, the best interests of your students are at risk and need more attention. It's not just that the Department of Education and Congress have started to look more closely at colleges with many students who have high debt levels. It's also that some institutions may be leaving their students worse off than they found them. Higher education's mission certainly goes beyond increasing students' lifetime incomes, but putting students in a situation where they pay so much for college that they never see financial benefits is irresponsible and unethical.

Institutions share responsibility with students and their families for the amount of debt students are incurring. Even if the college includes only the amount of federal loans available to students in their financial-aid packages, students sometimes turn to private credit markets. Some institutions even package private loans—suggesting that they constitute financial aid. Such borrowing is concentrated in private nonprofit and for-profit institutions.

Questions trustees should ask:

- How many of your students borrow to help finance their education?
- What is the average debt level at graduation?
- How have borrowing patterns at your institution changed over time?
- Are there changes in your financial-aid policies that might reduce the extent to which your students have to rely on loans?

CONCLUSION

Current economic pressures make questions related to tuition and financial aid more stressful than ever before for institutions depending on tuition revenues to fund their operations, as well as for students and families struggling to pay for college. A rational, informed approach to pricing requires considerable knowledge about the environment in which the institution operates, the particular circumstances facing the institution, and the characteristics of the students and potential students.

Sticker prices that are too high or that rise too rapidly can deter students from enrolling, make it difficult for students and families to plan their finances, and generate negative publicity for the institution. Sticker prices that are too low can diminish the quality of the education that the institution offers and make it more difficult to provide the financial aid that many students require to enroll and succeed in college.

The net prices students pay after taking grant aid into consideration and the net tuition revenues institutions receive are the amounts that matter most. Colleges and universities have complex pricing structures. Trustees should have a clear understanding of those structures and ask questions that will make campus administrators analyze their decisions carefully and consider alternatives. Economizing on financial aid when times are tough may well be counter-productive. Rethinking institutional priorities and the effectiveness of current practices can only be beneficial for both the college or university and its students.

About the Author

Sandy Baum is an independent higher education policy analyst and consultant. A senior fellow at the George Washington School of Education and Human Development and professor emerita of Economics at Skidmore College, Dr. Baum earned her BA in sociology at Bryn Mawr College and her PhD in economics at Columbia University. She has written and spoken extensively on issues relating to college access, college pricing, student aid policy, student debt, affordability, and other aspects of higher education finance.

Dr. Baum is a senior associate at the Institute for Higher Education Policy and Affiliated Consultant for HCM Strategists. She has worked with numerous organizations including the Advisory Committee on Student Financial Assistance, the Association of Governing Boards of Universities and Colleges (AGB), Canada Student Loans Program, the Jack Kent Cooke Foundation, and the National Association of Student Financial Aid Administrators (NASFAA). Dr. Baum has managed and co-authored the annual publications, *Trends in Student Aid* and *Trends in College Pricing* for the College Board since 2002. She also developed and co-authors *Education Pays: The Benefits of Higher Education for Individuals and Society* for the College Board. She co-chaired the Rethinking Student Aid study group, which issued comprehensive proposals for reform of the federal student aid system and is managing a study of the impact of student aid simplification on states, funded by the Lumina Foundation. Other recent work includes studies of concepts of college affordability, the non-financial barriers to college access, and tuition discounting in public and private colleges and universities.

AGB ASSOCIATION OF GOVERNING BOARDS OF UNIVERSITIES AND COLLEGES

1133 20th Street NW, Suite 300, Washington, DC 20036
T 202.296.8400 F 202.223.7053 www.agb.org

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

New England Board of Higher Education
45 Temple Place
Boston, MA 02111
(617) 357-9620
www.nebhe.org

Executive Summary

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.

Figure 1: Enrollment at Public Institutions of Higher Education in New England

New England			
	Number of Institutions	Number of Students	Share of All Students Enrolled
Public 2-Year Institutions	44	312,775	32.0%
Public 4-Year Institutions	43	283,182	29.0%
Total	**87**	**595,957**	**61.0%**

Source: NEBHE analysis of 2011-12 unduplicated undergraduate headcount data from Integrated Postsecondary Education Data System

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.

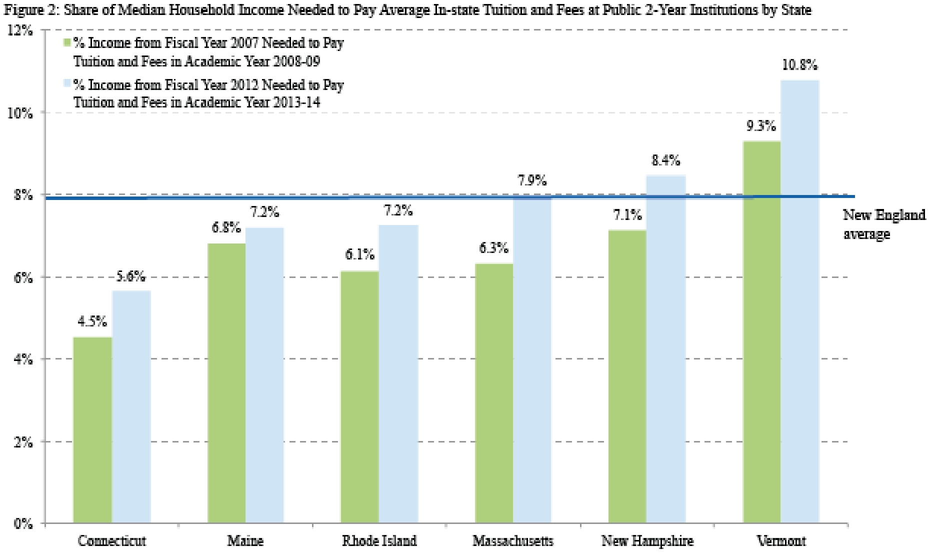
New England Tuition and Fees

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).

Figure 2: Share of Median Household Income Needed to Pay Average In-state Tuition and Fees at Public 2-Year Institutions by State

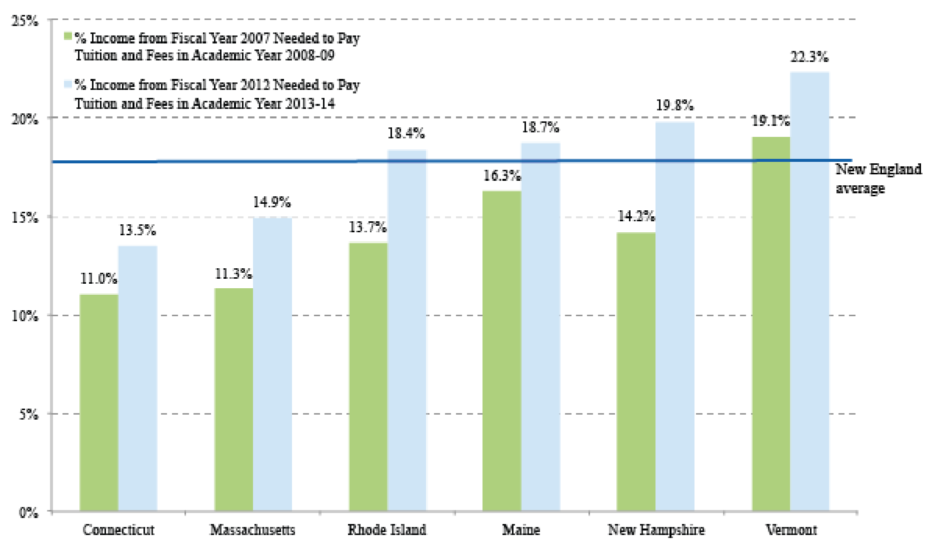


Source: NEBHE analysis of data from New England public postsecondary institutions and state agencies; U.S. Census Bureau, 2007-2012 American Community Surveys

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.

Figure 3: Share of Median Household Income Needed to Pay Average In-state Tuition and Fees at Public 4-Year Institutions by State



Source: NEBHE analysis of data from New England public postsecondary institutions and state agencies; U.S. Census Bureau, 2007-2012 American Community Surveys

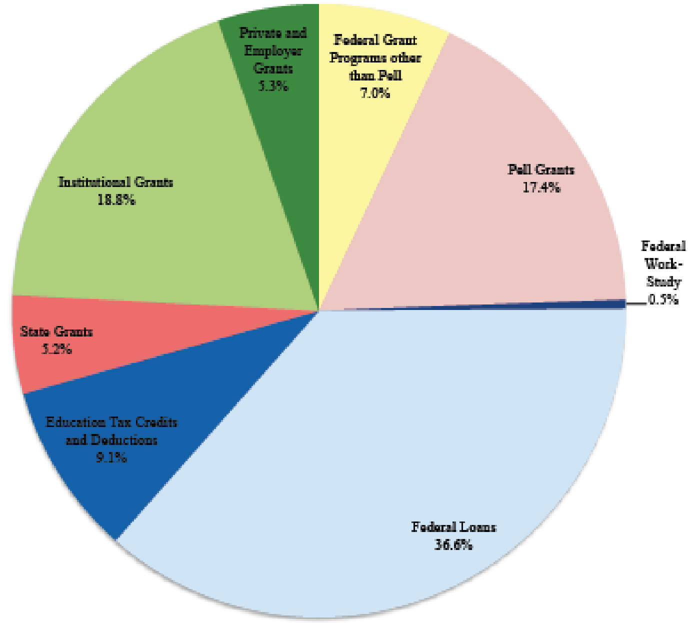
A Tool for College Affordability

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.

Figure 4: Undergraduate Student Aid by Source and Type, 2012-13



Source: Trends in Student Aid 2013, College Board

Figure 5: Selected Financial Aid Metrics by State

2011-12					
State	State Fiscal Support For Higher Education (in millions)	Total State Grant Expenditures as a % of State Fiscal Support for Higher Education	Estimated UG Grant Dollars/ UG FTE	Estimated Need-based UG Grant Dollars/ UG FTE	Estimated Number of Awards/FTE
Connecticut	949.946	5.5%	$ 374.90	$ 372.66	0.175
Maine	269.153	5.7%	$ 311.67	$ 311.67	0.369
Massachusetts	1,049.107	8.6%	$ 278.18	$ 256.06	0.381
New Hampshire	82.698	0.0%	$ -	$ -	0.000
Rhode Island	160.767	7.8%	$ 193.43	$ 193.43	0.253
Vermont	90.026	23.8%	$ 567.12	$ 564.38	0.401
New England Average	**433.616**	**8.6%**	**$ 287.55**	**$ 283.03**	**0.263**
National Average	**1,386.506**	**13.0%**	**$ 649.78**	**$ 481.63**	**0.282**

Source: NEBHE analysis of data from the National Association of State Student Grant and Aid Programs' Survey 2012

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.

Notes and Sources

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 considering 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

Gov. Dannel P. Malloy. (2013). Improved state financial aid program will ensure fairer process and help students better prepare for college [Press release]. Retrieved from http://www.governor.ct.gov/malloy/cwp/view.asp?A=4010&Q=530148

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) 533-9522.

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

NEW ENGLAND BOARD OF HIGHER EDUCATION · 1955 ·

MAINE
CONNECTICUT
NEW HAMPSHIRE
MASSACHUSETTS
RHODE ISLAND
VERMONT

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.

Enrollment at Public Institutions in Connecticut

Connecticut			
	Number of Institutions	Number of Students	Share of All Students Enrolled
Public 2-Year Institutions	12	81,663	39%
Public 4-Year Institutions	10	63,235	30%
Total	**22**	**144,898**	**68%**

Source: NEBHE analysis of 2011-12 unduplicated undergraduate headcount data from Integrated Postsecondary Education Data System

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

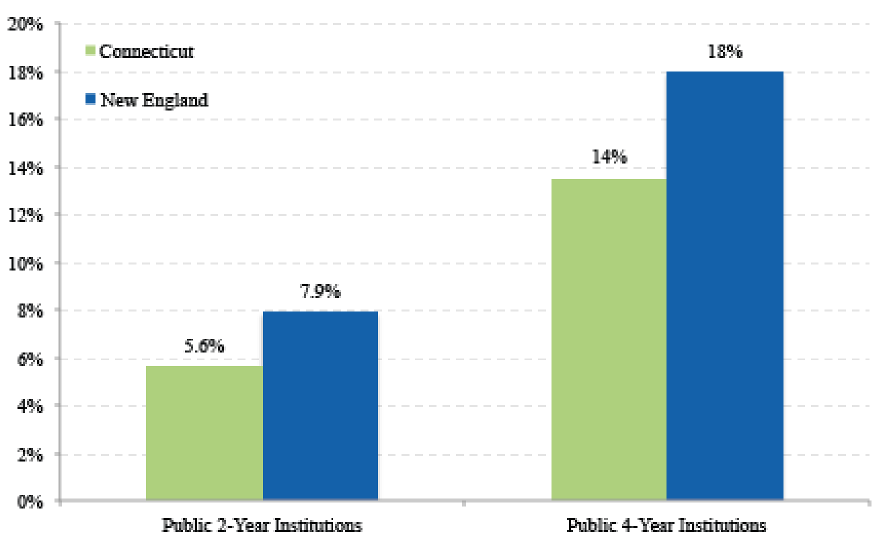
Average Published Tuition and Fees at Public Institutions and Median Household Income in Connecticut and New England

Academic Year 2013-14	Average Tuition & Fees		1-Year Change		5-Year Change	
	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State
Connecticut 2-Years	$ 3,786	$ 11,318	5.2%	5.2%	27%	27%
New England 2-Years	$ 4,553	$ 10,438	2.2%	2.0%	22%	18%
Connecticut 4-Years	$ 9,088	$ 20,260	4.9%	4.6%	25%	24%
New England 4-Years	$ 10,306	$ 21,578	1.7%	2.4%	29%	22%

Fiscal Year 2012	Median Household Income	1-Year Change	5-Year Change
Connecticut	$ 67,276	2.3%	2.0%
New England	$ 61,606	1.7%	2.4%

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

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



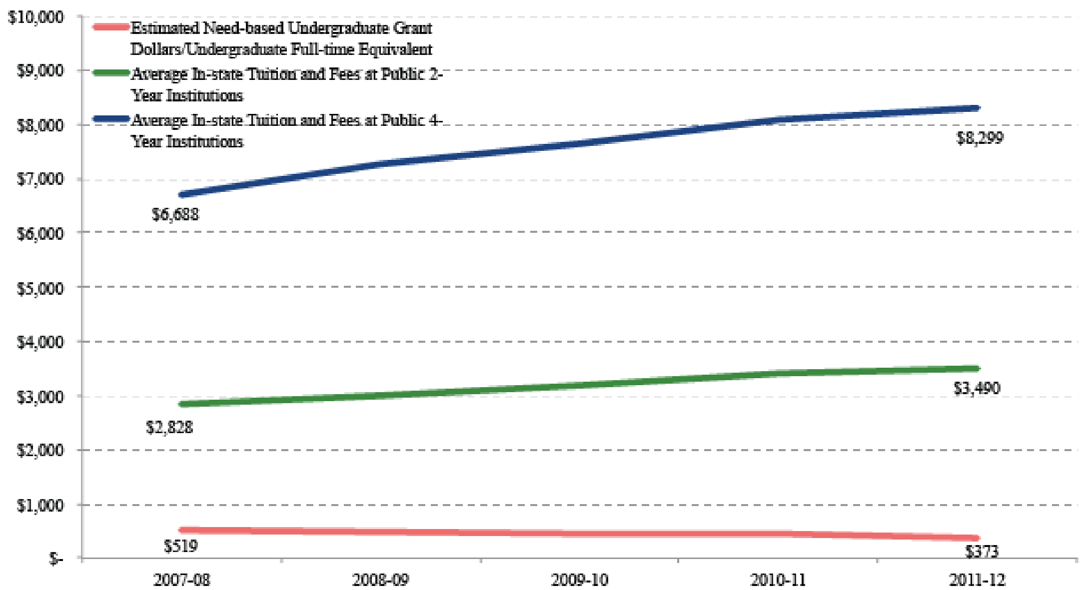
Source: NEBHE analysis of data from New England public postsecondary institutions and state agencies; U.S. Census Bureau, 2007-2012 American Community Surveys

- 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).

Need-based Grant Aid and Average In-state Published Tuition and Fees in Connecticut



Source: National Association of State Student Grant and Aid Programs' Surveys 2008-12; NEBHE analysis of data from state system offices

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.

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.

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%.

Enrollment at Public Institutions of Higher Education in Maine

Maine			
	Number of Institutions	Number of Students	Share of All Students Enrolled
Public 2-Year Institutions	7	26,531	32%
Public 4-Year Institutions	8	34,470	42%
Total	**15**	**61,001**	**74%**

Source: NEBHE analysis of 2011-12 unduplicated undergraduate headcount data from Integrated Postsecondary Education Data System

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

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

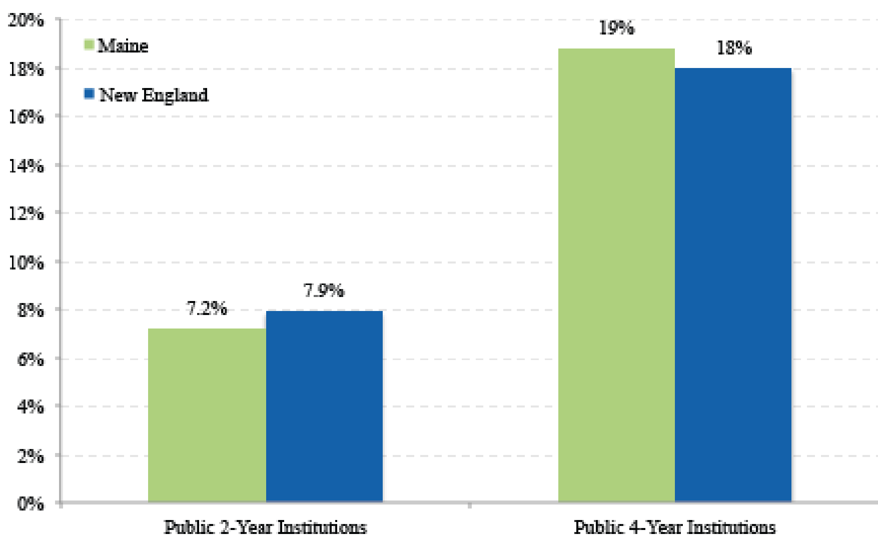
Academic Year 2013-14	Average Tuition & Fees		1-Year Change		5-Year Change	
	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State
Maine 2-Years	$ 3,352	$ 5,992	2.0%	2.1%	7.4%	7.4%
New England 2-Years	$ 4,553	$ 10,438	2.2%	2.0%	22%	18%
Maine 4-Years	$ 8,758	$ 20,085	0.5%	1.0%	17%	19%
New England 4-Years	$ 10,306	$ 21,578	1.7%	2.4%	29%	22%

Fiscal Year 2012	Median Household Income	1-Year Change	5-Year Change
Maine	$ 46,709	1.5%	1.8%
New England	$ 61,606	1.7%	2.4%

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

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



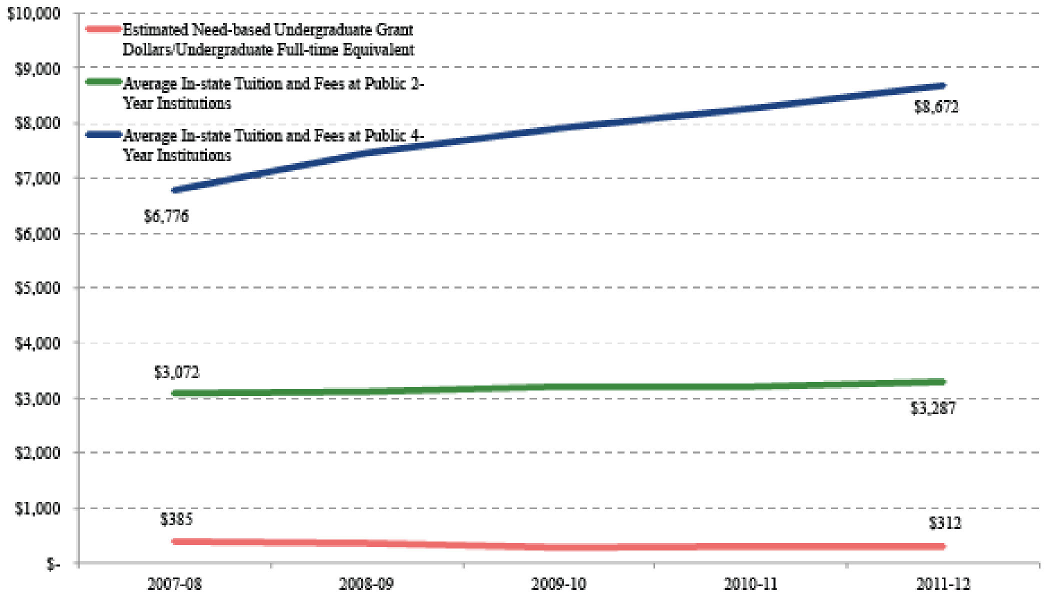
Source: NEBHE analysis of data from New England public postsecondary institutions and state agencies; U.S. Census Bureau, 2007-2012 American Community Surveys

- 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.

Need-based Grant Aid and Average In-state Published Tuition and Fees in Maine



Source: National Association of State Student Grant and Aid Programs' Surveys 2008-12; NEBHE analysis of data from state system offices

Between 2007-08 and 2011-12, the estimated need-based grant award per full-time equivalent undergraduate student shrank 19% ($74) as published in-state tuition and fees grew 7% ($215) at 2-year institutions and 28% ($1,895) at 4-year institutions, further expanding the gap between grant funding and published tuition and fees at public institutions in Maine, especially at 4-year institutions. This decrease in grant funding was typical for the region and the increase in tuition and fees was below the regional average. Additionally, Maine froze tuition for in- and out-of-state students at all public 2-year and all 4-year institutions (except for Maine Maritime Academy and the flagship University of Maine campus) for academic year 2012-13, halting the gap from continued widening.

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.

Enrollment at Public Institutions of Higher Education in Massachusetts

Massachusetts			
	Number of Institutions	Number of Students	Share of All Students Enrolled
Public 2-Year Institutions	16	146,318	31%
Public 4-Year Institutions	13	112,735	24%
Total	**29**	**259,053**	**56%**

Source: NEBHE analysis of 2011-12 unduplicated undergraduate headcount data from Integrated Postsecondary Education Data System

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

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

Academic Year 2013-14	Average Tuition & Fees		1-Year Change		5-Year Change	
	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State
Massachusetts 2-Years	$ 5,193	$ 11,699	0.3%	0.1%	33%	12%
New England 2-Years	$ 4,553	$ 10,438	2.2%	2.0%	22%	18%
Massachusetts 4-Years	$ 9,608	$ 19,969	0.5%	1.8%	31%	20%
New England 4-Years	$ 10,306	$ 21,578	1.7%	2.4%	29%	22%

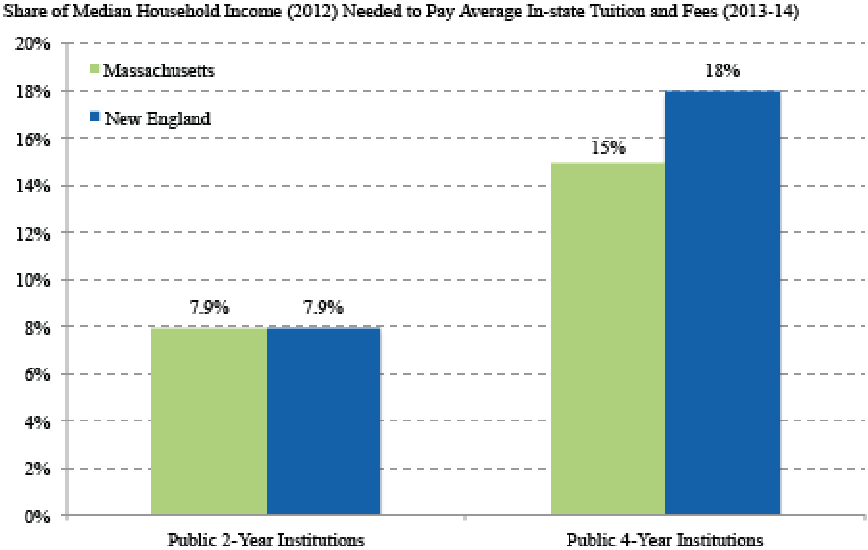
Fiscal Year 2012	Median Household Income	1-Year Change	5-Year Change
Massachusetts	$ 65,339	3.9%	4.8%
New England	$ 61,606	1.7%	2.4%

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.

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

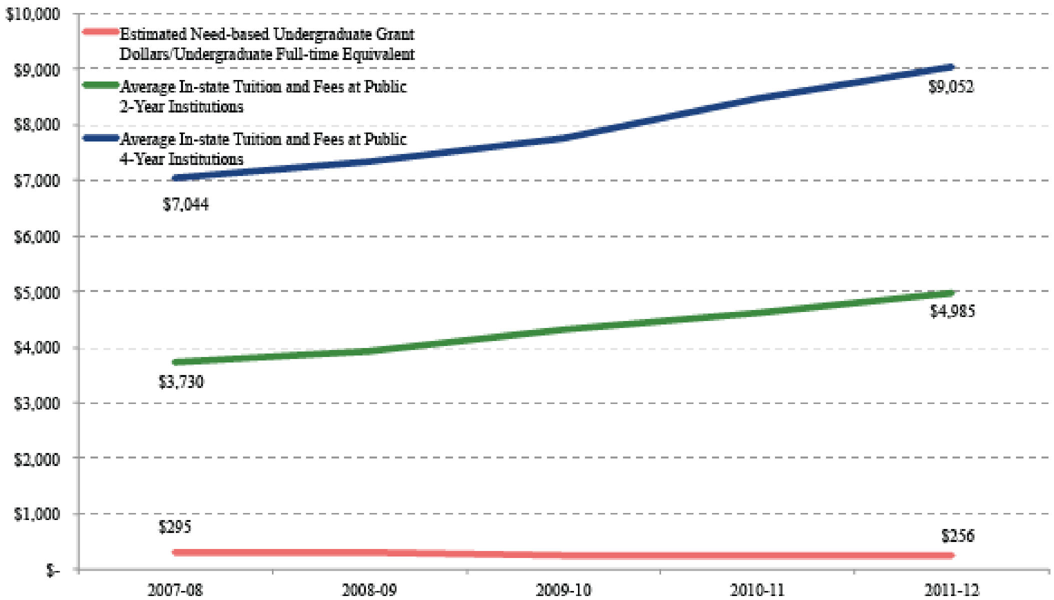


Source: NEBHE analysis of data from New England public postsecondary institutions and state agencies; U.S. Census Bureau, 2007-2012 American Community Surveys

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.

Need-based Grant Aid and Average In-state Published Tuition and Fees in Massachusetts



Source: National Association of State Student Grant and Aid Programs' Surveys 2008-12; NEBHE analysis of data from state system offices

Between 2007-08 and 2011-12, the estimated need-based grant award per full-time equivalent undergraduate student shrank 13% ($39) as published in-state tuition and fees grew 34% ($1,256) at 2-year institutions and 29% ($2,009) at 4-year institutions, further expanding the gap between grant funding and published tuition and fees at public institutions in Massachusetts.

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.

New Hampshire Tuition and Fees

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.

Enrollment at Public Institutions of Higher Education in New Hampshire

New Hampshire	Number of Institutions	Number of Students	Share of All Students Enrolled
Public 2-Year Institutions	7	22,638	28%
Public 4-Year Institutions	5	27,541	34%
Total	**12**	**50,179**	**62%**

Source: NEBHE analysis of 2011-12 unduplicated undergraduate headcount data from Integrated Postsecondary Education Data System

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

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

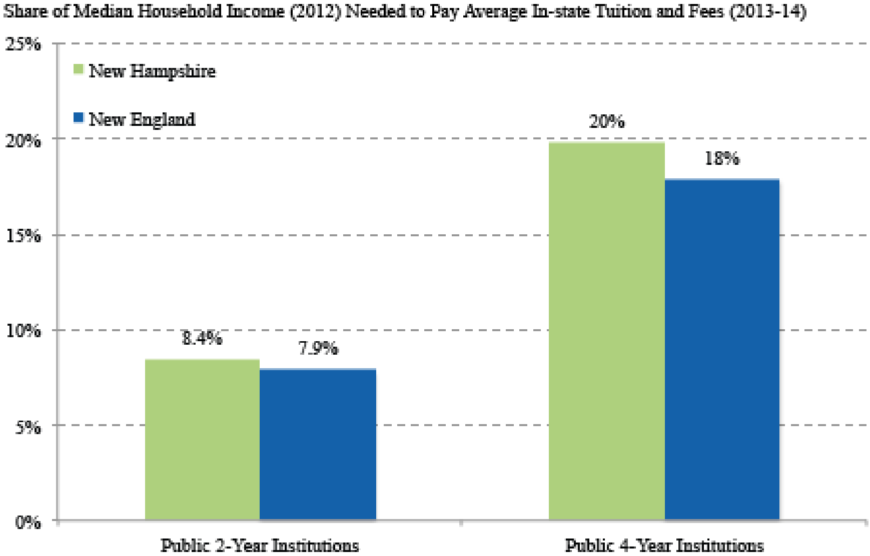
Academic Year 2013-14	Average Tuition & Fees		1-Year Change		5-Year Change	
	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State
New Hampshire 2-Years	$ 5,338	$ 11,770	0.0%	0.0%	20%	20%
New England 2-Years	$ 4,553	$ 10,438	2.2%	2.0%	22%	18%
New Hampshire 4-Years	$ 12,542	$ 20,687	0.2%	2.2%	41%	19%
New England 4-Years	$ 10,306	$ 21,578	2.2%	2.4%	29%	22%

Fiscal Year 2012	Median Household Income	1-Year Change	5-Year Change
New Hampshire	$ 63,280	1.0%	1.5%
New England	$ 61,606	1.7%	2.4%

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

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

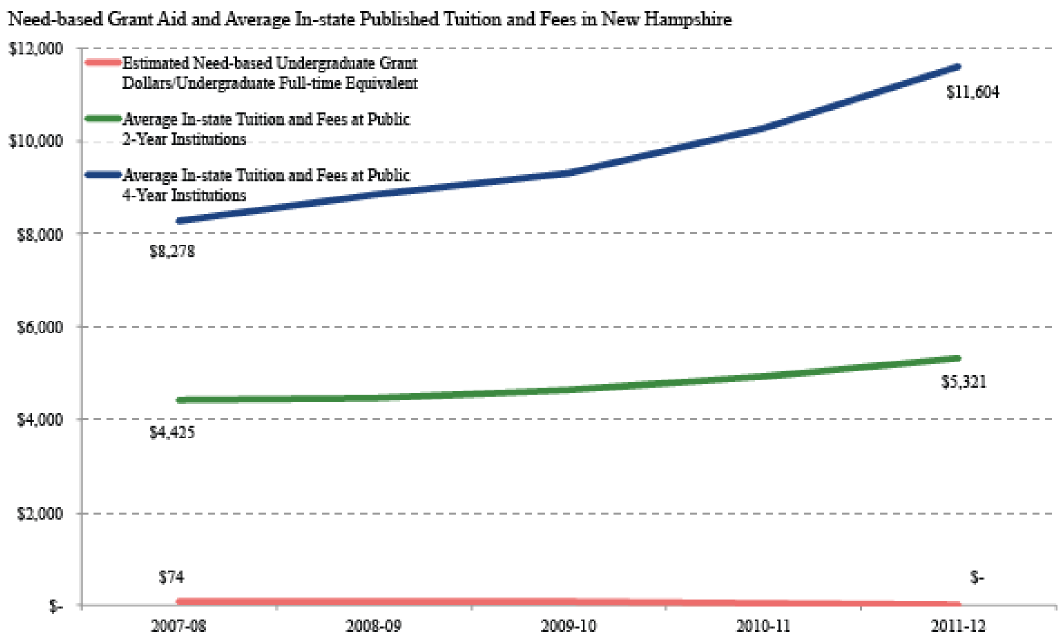


Source: NEBHE analysis of data from New England public postsecondary institutions and state agencies; U.S. Census Bureau, 2007-2012 American Community Surveys

- 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.



Source: National Association of State Student Grant and Aid Programs' Surveys 2008-12; NEBHE analysis of data from state system offices

Between 2007-08 and 2010-11, the estimated need-based grant award per full-time equivalent undergraduate student shrank 25% ($19) as published in-state tuition and fees grew 12% ($516) at 2-year institutions and 24% ($1,998) at 4-year institutions, increasing the gap between grant funding and published tuition and fees at public institutions in New Hampshire. Eliminating the need-based grant program in 2011-12, an increase of 8% ($381) in average published in-state tuition and fees at public 2-year institutions and 13% ($1,3278) at public 4-year institutions, and a dramatic decrease in state operating funds for both systems made this gap significantly more pronounced.

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:

Enrollment at Public Institutions of Higher Education in Rhode Island

Rhode Island			
	Number of Institutions	Number of Students	Share of All Students Enrolled
Public 2-Year Institutions	1	24,616	28%
Public 4-Year Institutions	2	24,184	28%
Total	**3**	**48,800**	**56%**

Source: NEBHE analysis of 2011-12 unduplicated undergraduate headcount data from Integrated Postsecondary Education Data System

- 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?

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

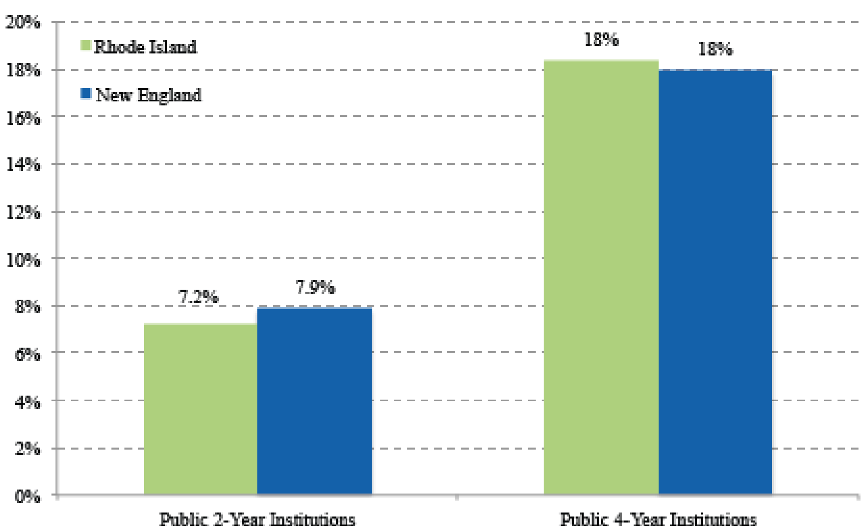
Academic Year 2013-14	Average Tuition & Fees		1-Year Change		5-Year Change	
	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State
Rhode Island 2-Years	$ 3,950	$ 10,582	0.0%	0.0%	20%	20%
New England 2-Years	$ 4,553	$ 10,438	2.2%	2.0%	22%	18%
Rhode Island 4-Years	$ 10,026	$ 23,158	0.0%	0.0%	35%	19%
New England 4-Years	$ 10,306	$ 21,068	1.7%	2.4%	29%	22%

Fiscal Year 2012	Median Household Income	1-Year Change	5-Year Change
Rhode Island	$ 54,554	1.7%	1.8%
New England	$ 61,606	1.7%	2.4%

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

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



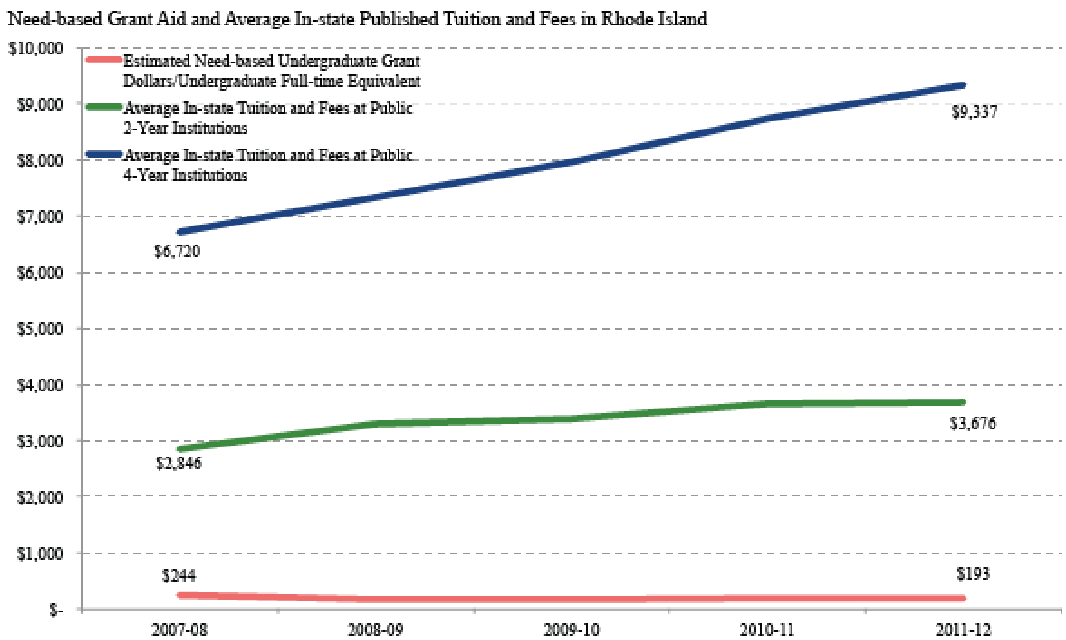
Source: NEBHE analysis of data from New England public postsecondary institutions and state agencies; U.S. Census Bureau, 2007-2012 American Community Surveys

- 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%.



Source: National Association of State Student Grant and Aid Programs' Surveys 2008-12; NEBHE analysis of data from state system offices

Between 2007-08 and 2011-12, the estimated need-based grant award per full-time equivalent undergraduate student shrank 21% ($50) as published in-state tuition and fees grew at 2-year institutions 29% ($830) and at 4-year institutions 39% ($2,617), amplifying the gap between grant funding and published tuition and fees at public institutions in Rhode Island. The decrease in grant funding and increase in tuition and fees were both above the regional average.

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.

Enrollment at Public Institutions of Higher Education in Vermont

Vermont			
	Number of Institutions	Number of Students	Share of All Students Enrolled
Public 2-Year Institutions	1	11,009	23%
Public 4-Year Institutions	5	21,017	44%
Total	**6**	**32,026**	**66%**

Source: NEBHE analysis of 2011-12 unduplicated undergraduate headcount data from Integrated Postsecondary Education Data System

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

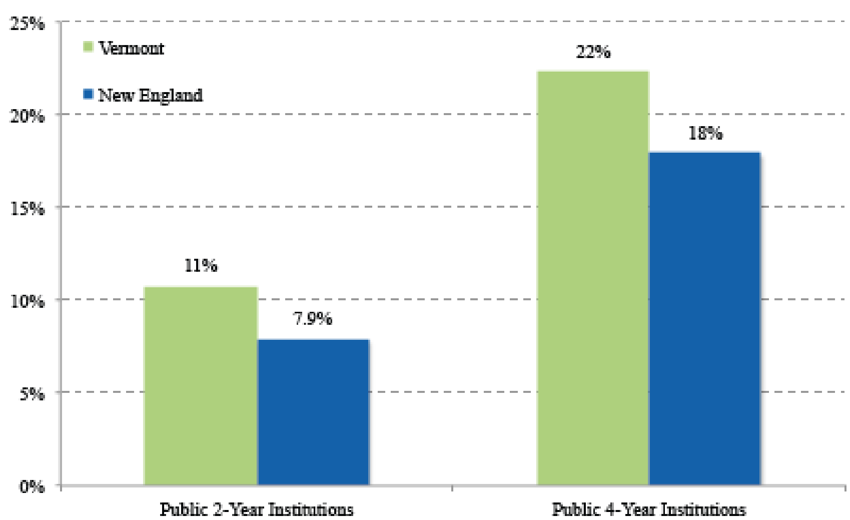
Academic Year 2013-14	Average Tuition & Fees		1-Year Change		5-Year Change	
	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State
Vermont 2-Years	$ 5,698	$ 11,266	5.5%	4.8%	23%	22%
New England 2-Years	$ 4,553	$ 10,438	2.2%	2.0%	22%	18%
Vermont 4-Years	$ 11,814	$ 25,312	3.9%	4.6%	24%	29%
New England 4-Years	$ 10,306	$ 21,578	1.7%	2.4%	29%	22%

Fiscal Year 2012	Median Household Income	1-Year Change	5-Year Change
Vermont	$ 52,977	0.4%	6.2%
New England	$ 61,606	1.7%	2.4%

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

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



Source: NEBHE analysis of data from New England public postsecondary institutions and state agencies; U.S. Census Bureau, 2007-2012 American Community Surveys

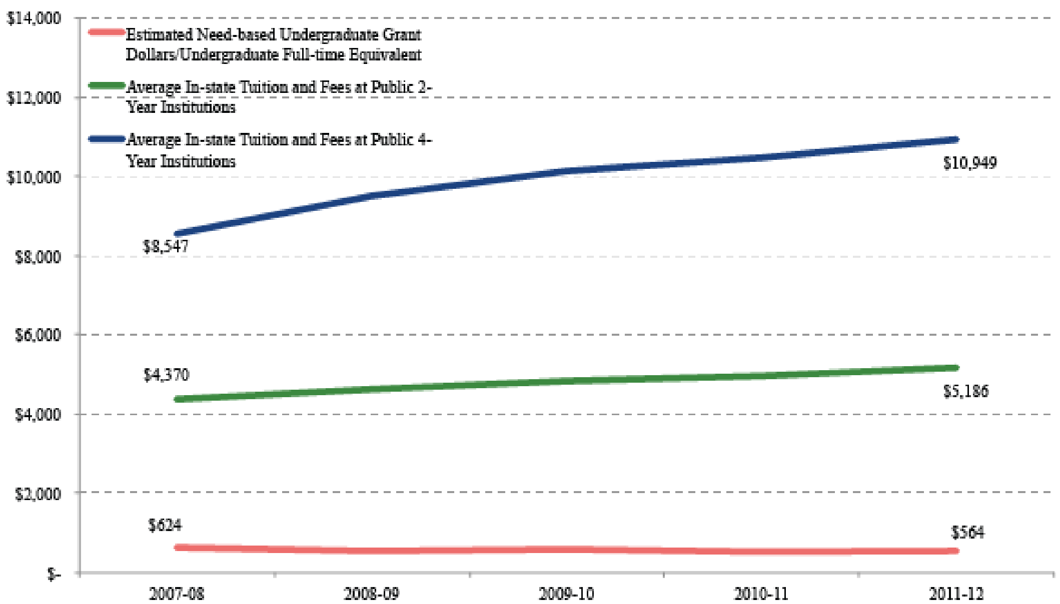
- Vermont has the highest average in-state tuition and fees rates at 2-year public institutions and the second highest in-state tuition and fees rates at 4-year public institutions in New England.
- Coupled with the second lowest median household income in the region, this ranks Vermont as the least 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.

Need-based Grant Aid and Average In-state Published Tuition and Fees in Vermont



Source: National Association of State Student Grant and Aid Programs' Surveys 2008-12; NEBHE analysis of data from state system offices

Between 2007-08 and 2011-12, the estimated need-based grant award per full-time equivalent undergraduate student shrank 10% ($59) as published in-state tuition and fees grew at 2-year institutions 19% ($816) and at 4-year institutions 28% ($2,402), expanding the gap slightly between grant funding and published tuition and fees at public institutions in Vermont. However, both the decrease in grant funding and the increase in tuition and fees over this period were below the regional average. Additionally, it may be helpful to remember that Vermont's need-based grants are portable to other states, and institutions in Vermont often serve a high percentage of out-of-state students who would not be eligible for these grants. The estimated need-based undergraduate grant dollars per undergraduate full-time equivalent student metric is not adjusted for these factors.

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.

Trends & Indicators

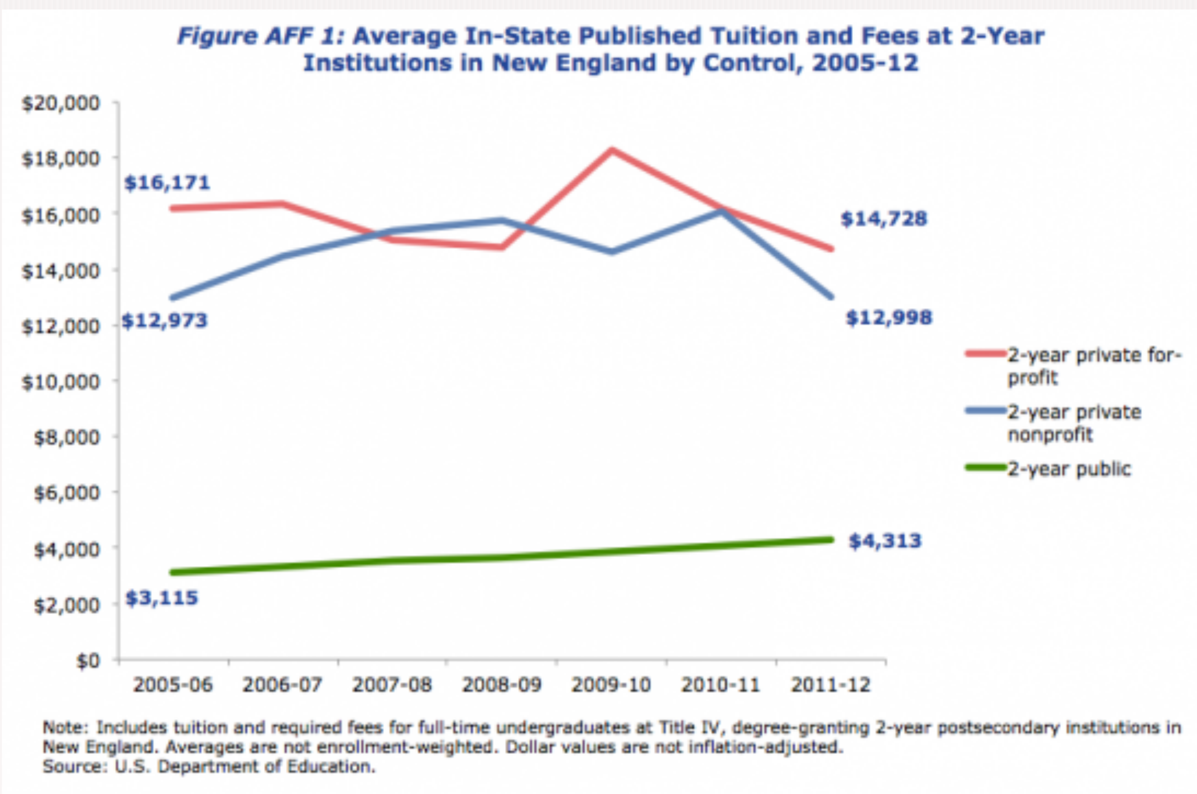
T&I TRENDS AND INDICATORS

Affordability

Paying for college involves an ever-changing balance of contributions from multiple stakeholders: the federal government, states, institutions, private foundations and organizations, and students and families. This section will explore what paying for college looks like through the eyes of New England students and families. For data and research on how the costs of college look to institutions and states, see Finance Trends & Indicators.

- Published tuition and required fees have risen dramatically in New England in nearly every institutional sector between 2005 and 2012—rising by as much as 43% increase at 4-year public institutions (not adjusted for inflation).
- When also including room and board, books and supplies, and other expenses, total costs of attendance at public institutions make up anywhere from 25% to 45% of a state's median household income.
- Taking into account grant or scholarship aid brings the average "net" price of attendance down, though this varies widely by and within sectors (see this Newslink for more on average net price).
- As grant aid covers a smaller share of rising costs, students are increasingly using loans to make up the difference.

Figure AFF 1: Average In-State Published Tuition and Fees at 2-Year Institutions in New England by Control, 2005-12



Click on the chart to enlarge in a new window.

Source: U.S. Department of Education

Figure AFF 2: Average In-State Published Tuition and Fees at 4-Year Institutions in New England by Control, 2005-12

Upcoming Events

2015 Excellence Awards

March 13, 2015

Boston Marriott Long Wharf Hotel

Boston, Massachusetts

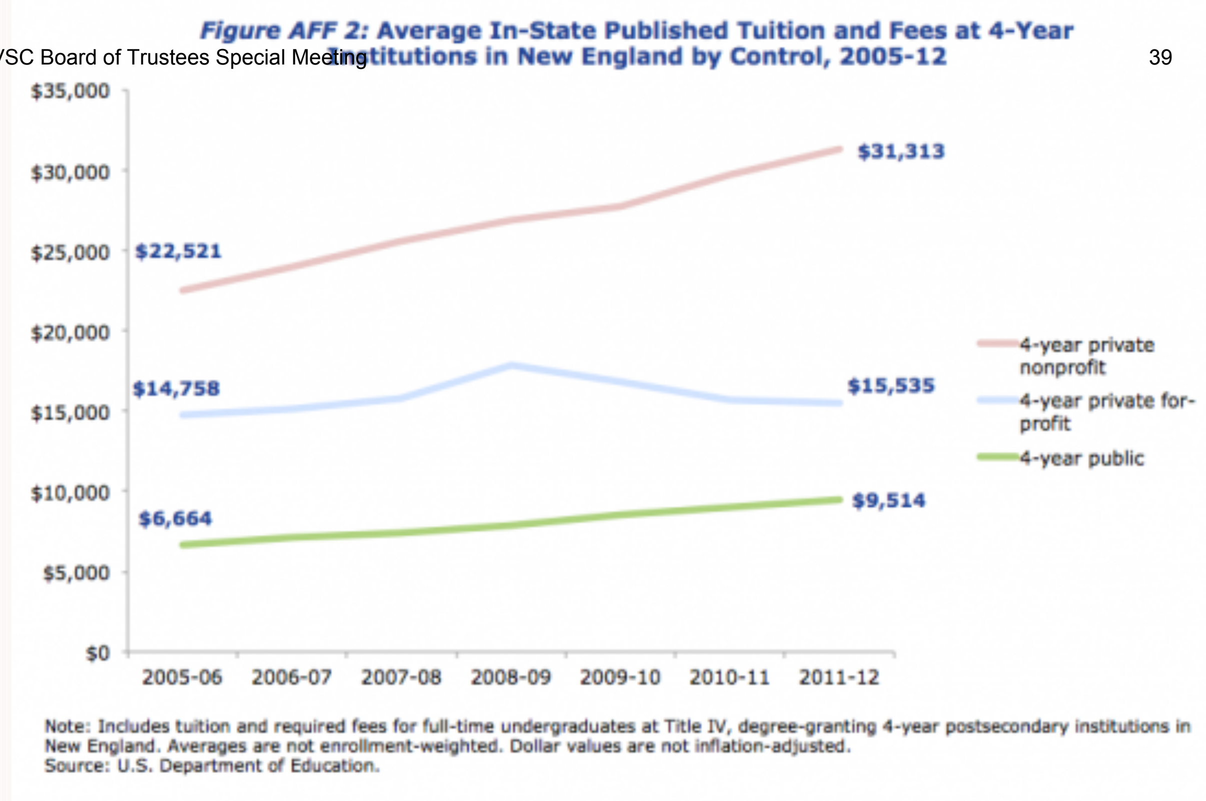
Higher Ed Joblink

Up-to-the-minute job postings from New England Higher Education Recruitment Consortium

Director of Research Integrity
US - RI - Providence
Brown University

Information Security Specialist
US - USA - MA - Cambridge
Harvard University Information Technology

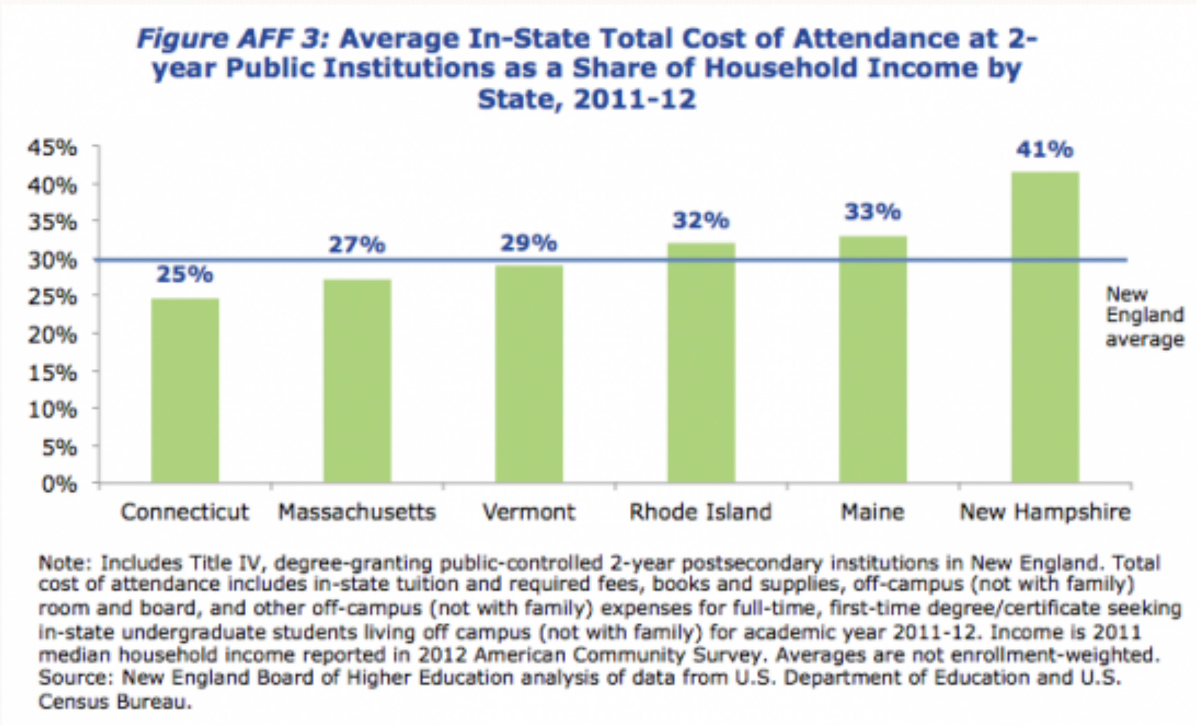
Post Award Financial Specialist / Senior Post Award Financial Specialist
US - MA - Boston
Tufts University



Click on the chart to enlarge in a new window.

Source: U.S. Department of Education

Figure AFF 3: Average In-State Cost of Attendance at 2-Year Public Institutions as a Share of Household Income by State, 2011-12

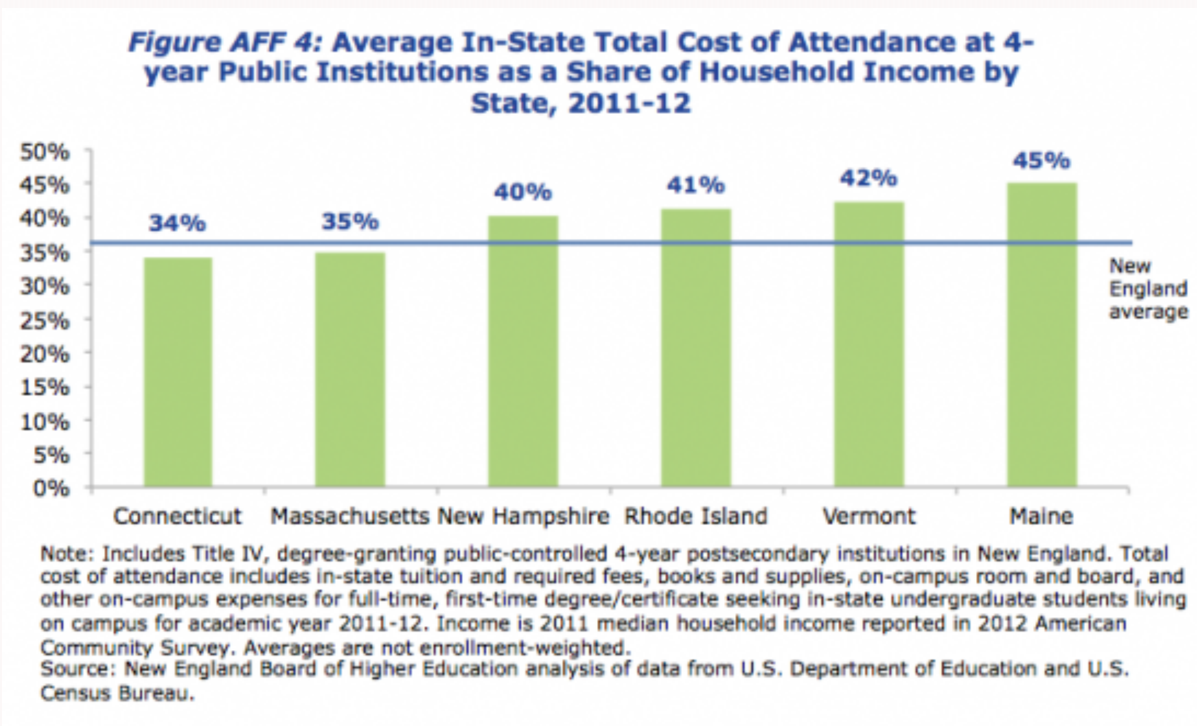


Click on the chart to enlarge in a new window.

Source: New England Board of Higher Education analysis of data from U.S. Department of Education and U.S. Census Bureau

---

Figure AFF 4: Average In-State Cost of Attendance at 4-Year Public Institutions as a Share of Household Income by State, 2011-12



Click on the chart to enlarge in a new window.

Source: New England Board of Higher Education analysis of data from U.S. Department of Education and U.S. Census Bureau

---

Figure AFF 5: Average Total Cost of Attendance and Average Net Price as a Share of Household Income in New England, 2011-12

Director of Research Integrity
US - RI - Providence
Brown University

Information Security Specialist
US - USA - MA - Cambridge
Harvard University Information Technology

Post Award Financial Specialist / Senior Post Award Financial Specialist
US - MA - Boston
Tufts University

View all jobs

Trends & Indicators

TRENDS AND INDICATORS

Click here for continually updated statistics on New England's education and economy

New for October 2014: ***Demography***

New for July 2014: ***Affordability***

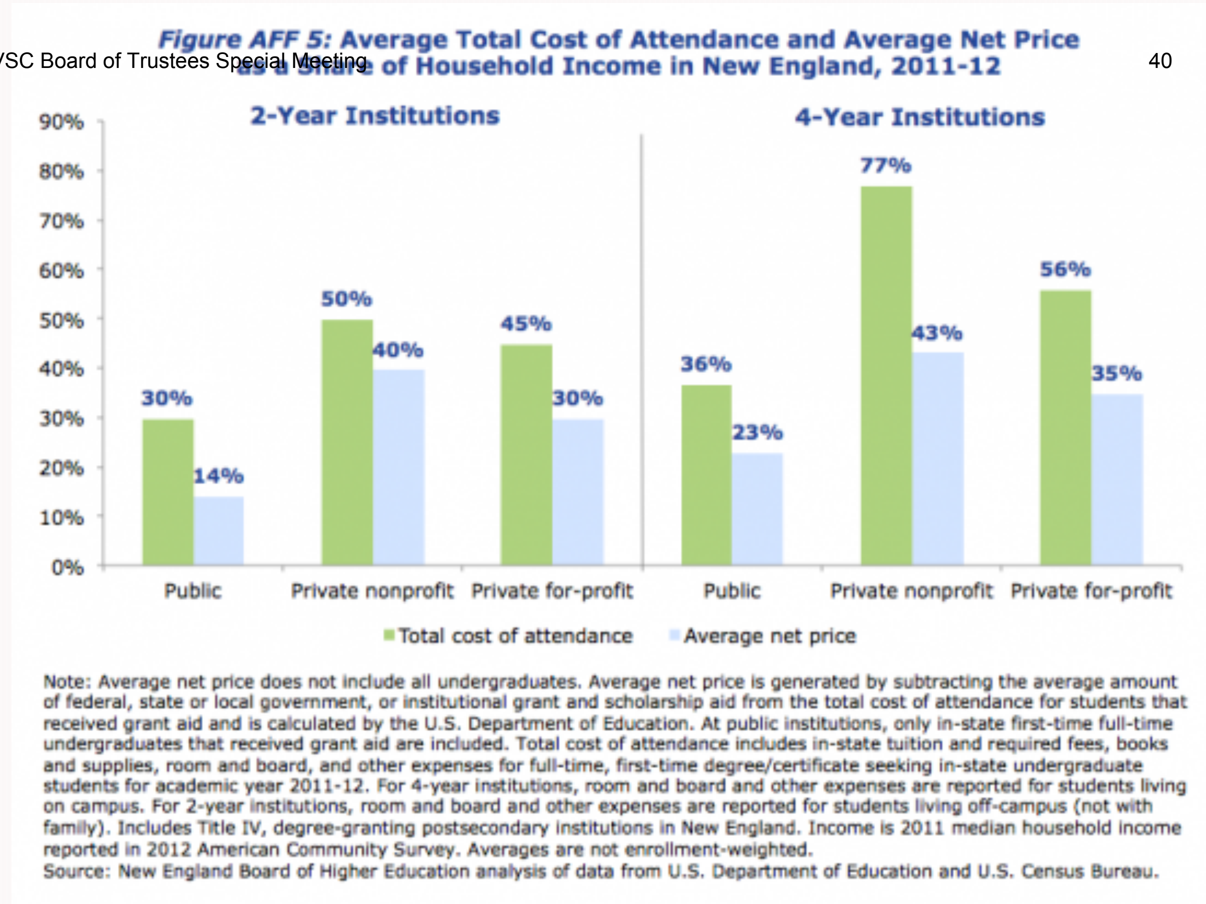
New for July 2014: ***Finance***

Stay Connected

Our Twitter Feed

Follow us to stay up-to-date on news, commentary and analysis

RT @therenniecenter: The Second Annual Condition of Education in the Commonwealth Report http://t.co/VBm-B5R42F3 #COE2015

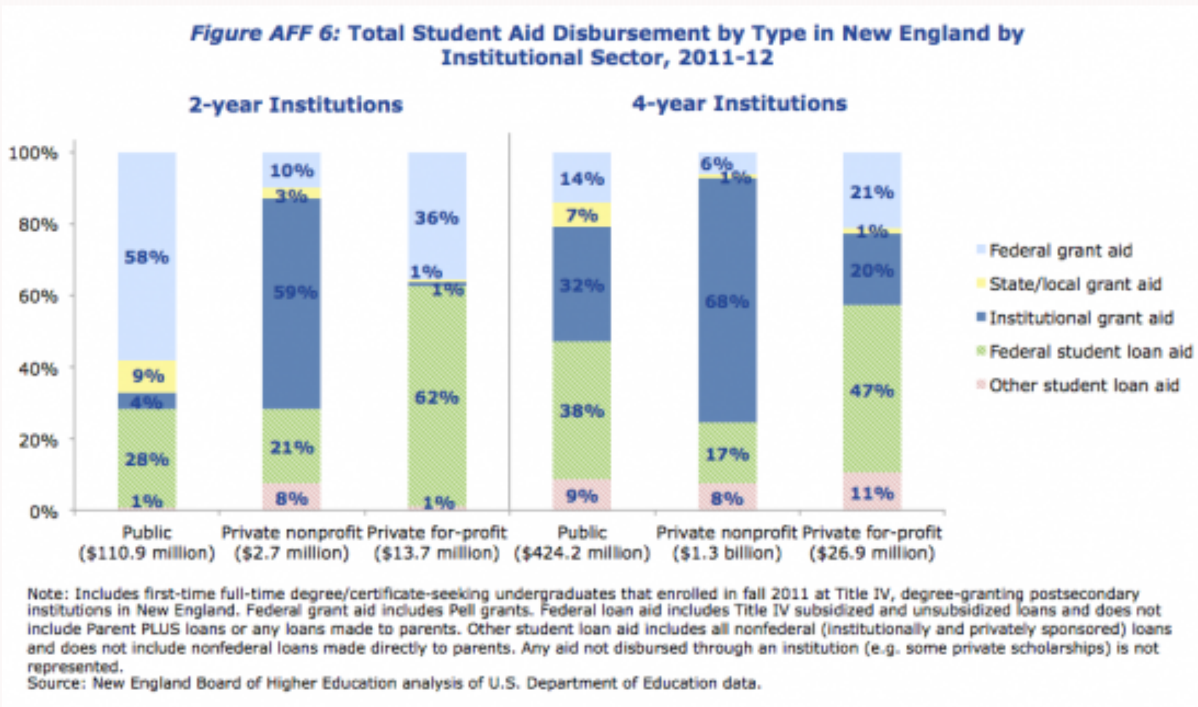


Click on the chart to enlarge in a new window.

Source: New England Board of Higher Education analysis of data from U.S. Department of Education and U.S. Census Bureau

---

Figure AFF 6: Total Student Aid Disbursement by Type in New England by Institutional Sector, 2011-12

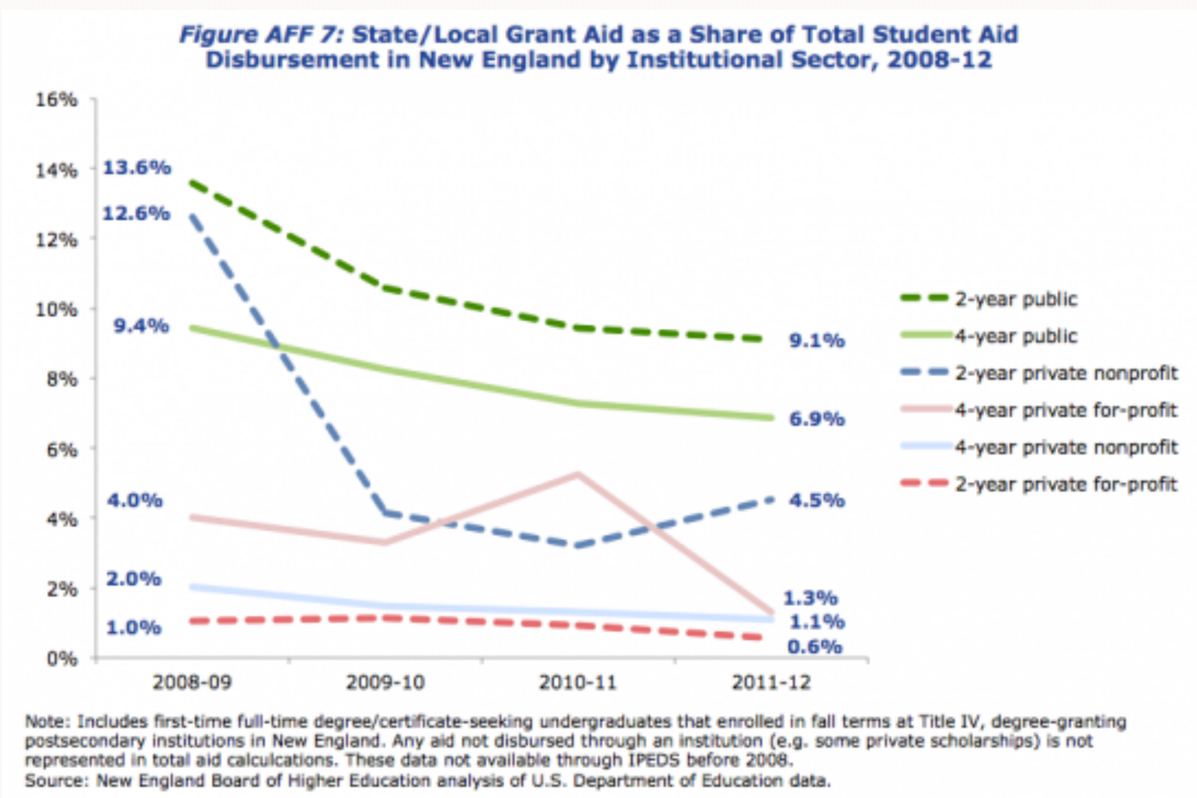


Click on the chart to enlarge in a new window.

Source: New England Board of Higher Education analysis of data from U.S. Department of Education data

---

Figure AFF 7: State/Local Grant Aid as a Share of Total Student Aid Disbursement in New England by Institutional Sector, 2008-12



Click on the chart to enlarge in a new window.

Source: New England Board of Higher Education analysis of data from U.S. Department of Education data

---

19 hours ago

RT @SalveRegina: Salve Regina and @IYRSedu partner to offer bachelor's degree in traditional building arts http://t.co/PjqF8ZPOI3

1 day ago

UMF launches new Alpine Operations Certificate Program http://t.co/Oelry1yixM via @sunjournal

1 day ago

State Capital Notes | The States of Our Union … Are Not All Strong http://t.co/8pd45SqLKL

2 days ago

State Capital Notes | Maine Lawmaker Proposes Creating a Unified Board for Higher Education http://t.co/oVYSytdKVw

2 days ago

State Capital Notes | #NCSL 35 states are expecting to meet their rev forecast by the end of FY 2015. http://t.co/b7TTRTs906

2 days ago

NEJHE NewsBlast 1/21/15: Illegal Procedure? Title IX and Sexual Assault #con-stantcontact http://t.co/NPVsWtQl3A

2 days ago

Congress Should Help the U.S. by Reversing Its Recent History of Starving Basic Research http://t.co/gmSr6QXwBW

3 days ago

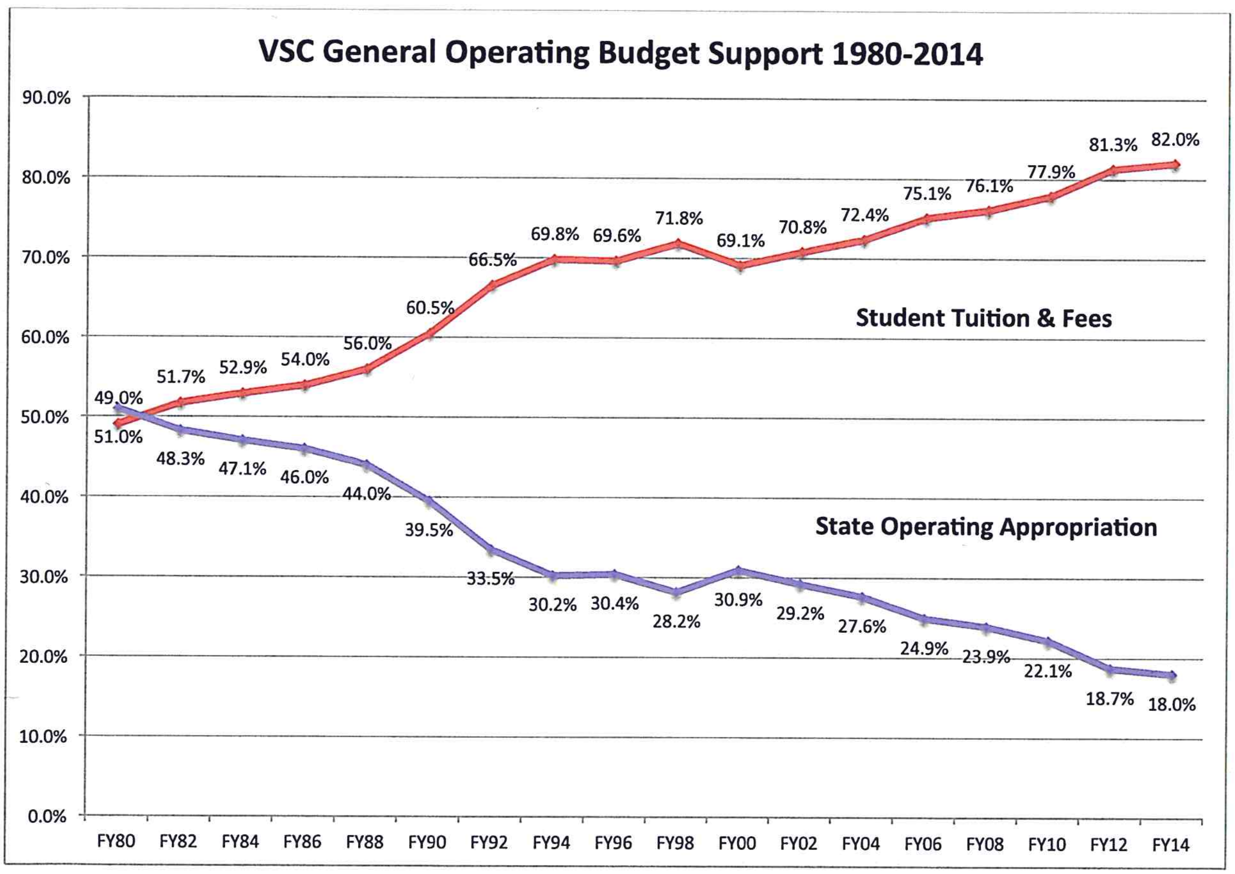
T&I Archives: Affordability was part of Financing Higher Education before July 2014. Click below to view Financing Higher Education information from previous *Trends & Indicators* coverage:

- **2013**
- **2012**
- **2010**

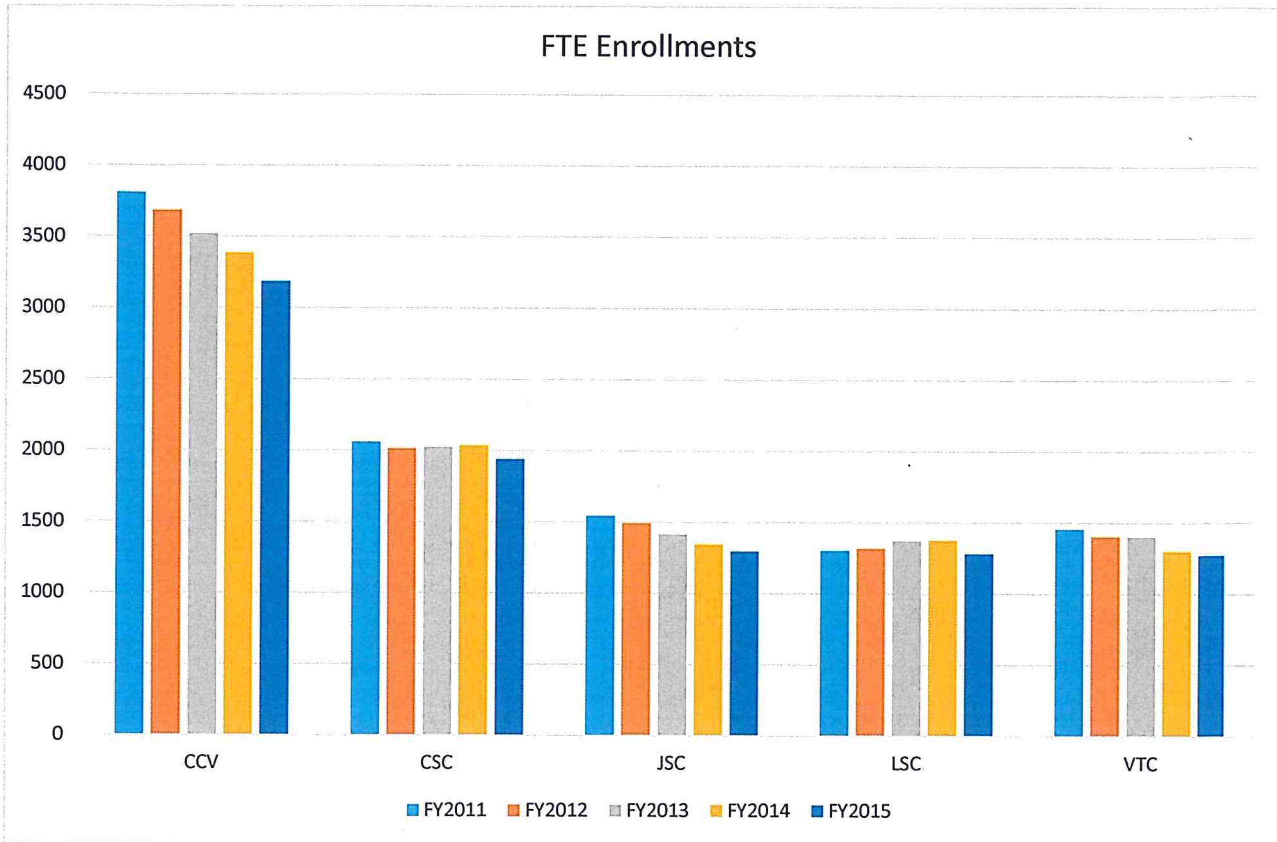
Back to **Trends & Indicators>>**

- Events
- Resources
- Corporate Partners
- About NEBHE
- Contact Us
- Email Newsletter

Privacy Policy | Terms & Conditions | About NEBHE | Resources | Contact Us | Email Newsletter |


VSC General Operating Budget Support 1980-2014
90.0%
80.0%
70.0%
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
FY80 FY82 FY84 FY86 FY88 FY90 FY92 FY94 FY96 FY98 FY00 FY02 FY04 FY06 FY08 FY10 FY12 FY14
Student Tuition & Fees
49.0% 51.7% 52.9% 54.0% 56.0% 60.5% 66.5% 69.8% 69.6% 71.8% 69.1% 70.8% 72.4% 75.1% 76.1% 77.9% 81.3% 82.0%
State Operating Appropriation
51.0% 48.3% 47.1% 46.0% 44.0% 39.5% 33.5% 30.2% 30.4% 28.2% 30.9% 29.2% 27.6% 24.9% 23.9% 22.1% 18.7% 18.0%

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
CCV						
In-State	3.00%	4.00%	4.00%	4.00%	4.00%	3.00%
Out-of State	3.00%	4.00%	4.00%	4.00%	4.00%	3.00%
CSC						
In-State	3.00%	4.00%	4.00%	4.00%	4.00%	5.00%
Out-of State	9.00%	7.00%	7.00%	7.00%	7.00%	6.00%
JSC						
In-State	3.00%	4.00%	4.00%	4.00%	4.00%	3.00%
Out-of State	5.00%	5.00%	5.00%	5.00%	5.00%	3.00%
LSC						
In-State	3.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Out-of State	3.00%	4.00%	4.00%	4.00%	4.00%	4.00%
VTC						
In-State	3.00%	4.00%	4.00%	4.00%	4.00%	3.00%
Out-of State	3.00%	4.00%	4.00%	4.00%	4.00%	3.00%
VTC - Nursing						
In-State	7.91%	4.00%	4.00%	4.00%	4.00%	3.00%
Out-of State	5.66%	4.00%	4.00%	4.00%	4.00%	3.00%



	FY2011	FY2012	FY2013	FY2014	FY2015
CCV	3810	3685	3520	3387	3186
CSC	2057	2014	2024	2036	1940
JSC	1543	1493	1415	1343	1296
LSC	1304	1320	1374	1376	1283
VTC	1455	1405	1401	1302	1274

VSC Campus Based Tuition Increases vs. National Average
Resident Undergraduate Tuition & Required Fees

		VSC	National Average
FY2004		4.60%	11.60%
FY2005		6.60%	9.00%
FY2006		4.50%	7.10%
FY2007		4.70%	6.80%
FY2008		5.10%	6.10%
FY2009		6.10%	6.30%
FY2010		6.70%	6.70%
FY2011		3.00%	6.50%
FY2012		4.00%	7.60%
FY2013		4.00%	5.10%
FY2014		4.00%	3.00%
FY2015	*	3.00%	not available

Last Four Years	
Colorado (highest)	56.00%
Average four-year increase	24.00%
Vermont (8th lowest)	14.00%
North Dakota/Montana (lowest)	11.00%

* Any increase over 3% was alloted towards in-state financial aid

CCV Increases vs. National Average
Community Colleges Tuition & Required Fees

	CCV	National Average
FY2004	5.40%	8.90%
FY2005	5.10%	8.00%
FY2006	5.80%	6.80%
FY2007	4.90%	5.50%
FY2008	5.30%	4.20%
FY2009	6.10%	4.50%
FY2010	4.20%	5.40%
FY2011	3.00%	5.00%
FY2012	4.00%	7.10%
FY2013	4.00%	5.70%
FY2014	4.00%	3.00%
FY2015	3.00%	not available

Last Four Years	
California (highest)	77.00%
Average four-year increase	22.00%
Vermont (16th lowest)	17.00%
Missouri (lowest)	-11.00%

Vermont State Colleges
Comparable Colleges Analysis
Comparable Colleges In State vs. Vermont In State
FY2015 TUITION, FEES, ROOM & BOARD

Comparable Colleges		Tuition/Fees Room & Board Combined Comparable Colleges In State Tuition/Fees Room/Board	VSC In State Tuition/Fees Room/Board	$ Difference	% Difference
CSC					
UVM		27,006	20,286	(6,720)	-33.13%
Keene State College		22,232	20,286	(1,946)	-9.59%
Endicott College	*	43,228	20,286	(22,942)	-113.09%
Colby-Sawyer College	*	50,790	20,286	(30,504)	-150.37%
Plymouth State University		22,205	20,286	(1,919)	-9.46%
U of New England (Maine)	*	46,750	20,286	(26,464)	-130.45%
CCV (15 credits per semester)					
Greenfield (MA) Community College		6,167	7,320	1,153	15.75%
Clinton Community College (SUNY)		4,515	7,320	2,805	38.32%
Hudson Valley Community College		4,682	7,320	2,638	36.04%
NH Cm'ty Technical College Claremont		6,450	7,320	870	11.89%
JSC					
Keene State College		22,232	20,118	(2,114)	-10.51%
Plymouth State University		22,205	20,118	(2,087)	-10.37%
Champlain College	*	46,650	20,118	(26,532)	-131.88%
UVM		27,006	20,118	(6,888)	-34.24%
University of Maine Farmington		18,187	20,118	1,931	9.60%
LSC					
Champlain College	*	46,650	20,114	(26,536)	-131.93%
Plattsburgh State (SUNY)		18,814	20,114	1,300	6.46%
Westfield State University		19,706	20,114	408	2.03%
Eastern Connecticut State University		22,358	20,114	(2,244)	-11.16%
VTC					
UVM		27,006	22,374	(4,632)	-20.70%
NH Technical Institute		16,070	22,374	6,304	28.18%
SUNY - Canton		20,059	22,374	2,315	10.35%
SUNY - Delhi		18,710	22,374	3,664	16.38%
Wentworth Institute of Technology	*	42,125	22,374	(19,751)	-88.28%
Champlain College	*	46,650	22,374	(24,276)	-108.50%

* = does not differentiate between in state vs. out of state in regard to tuiton, etc.

Vermont State Colleges
Comparable Colleges Analysis
Comparable Colleges In State vs. Vermont Out of State
FY2015 TUITION, FEES, ROOM & BOARD
(an out of state student comparing their t&f with ours)

Comparable Colleges		Tuition/Fees Room & Board Combined Comparable Colleges In State Tuition/Fees Room/Board	VSC Out of State Tuition/Fees Room/Board	$ Difference	% Difference
CSC					
UVM	*	48,654	34,950	(13,704)	-39.21%
Keene State College		22,232	34,950	12,718	36.39%
Endicott College	**	43,228	34,950	(8,278)	-23.69%
Colby-Sawyer College	**	50,790	34,950	(15,840)	-45.32%
Plymouth State University		22,205	34,950	12,745	36.47%
U of New England (Maine)	**	46,750	34,950	(11,800)	-33.76%
CCV (15 credits per semester)					
Greenfield (MA) Community College		6,167	14,490	8,323	57.44%
Clinton Community College (SUNY)		4,515	14,490	9,975	68.84%
Hudson Valley Community College		4,682	14,490	9,808	67.69%
NH Cm'ty Technical College Claremont		6,450	14,490	8,040	55.49%
JSC					
Keene State College		22,232	32,118	9,886	30.78%
Plymouth State University		22,205	32,118	9,913	30.86%
Champlain College	**	46,650	32,118	(14,532)	-45.25%
UVM	*	48,654	32,118	(16,536)	-51.49%
University of Maine Farmington		18,187	32,118	13,931	43.37%
LSC					
Champlain College	**	46,650	31,178	(15,472)	-49.62%
Plattsburgh State (SUNY)		18,814	31,178	12,364	39.66%
Westfield State University		19,706	31,178	11,472	36.80%
Eastern Connecticut State University		22,358	31,178	8,820	28.29%
VTC					
UVM	*	48,654	33,222	(15,432)	-46.45%
NH Technical Institute		16,070	33,222	17,152	51.63%
SUNY - Canton		20,059	33,222	13,163	39.62%
SUNY - Delhi		18,710	33,222	14,512	43.68%
Wentworth Institute of Technology	**	42,125	33,222	(8,903)	-26.80%
Champlain College	**	46,650	33,222	(13,428)	-40.42%

* = shows Vermont out of state rate to show comparability to VSC out of state rate
** = does not differentiate between in state vs. out of state in regard to tuiton, etc.

Vermont State Colleges
Comparable Colleges Analysis
Comparable Colleges Out of State vs. Vermont In State
FY2015 TUITION, FEES, ROOM & BOARD
(a Vermonter comparing our fees with an out of state college)

Tuition/Fees Room & Board Combined

Comparable Colleges		Comparable Colleges Out of state Tuition/Fees Room/Board	VSC In State Tuition/Fees Room/Board	$ Difference	% Difference
CSC					
UVM	*	27,006	20,286	(6,720)	-33.13%
Keene State College		30,152	20,286	(9,866)	-48.63%
Endicott College	**	43,228	20,286	(22,942)	-113.09%
Colby-Sawyer College	**	50,790	20,286	(30,504)	-150.37%
Plymouth State University		30,115	20,286	(9,829)	-48.45%
U of New England (Maine)	**	46,750	20,286	(26,464)	-130.45%
CCV (15 credits per semester)					
Greenfield (MA) Community College		13,817	7,320	(6,497)	-88.76%
Clinton Community College (SUNY)		9,255	7,320	(1,935)	-26.43%
Hudson Valley Community College		12,642	7,320	(5,322)	-72.70%
NH Cm'ty Technical College Claremont		14,100	7,320	(6,780)	-92.62%
JSC					
Keene State College		30,152	20,118	(10,034)	-49.88%
Plymouth State University		30,115	20,118	(9,997)	-49.69%
Champlain College	**	46,650	20,118	(26,532)	-131.88%
UVM	*	27,006	20,118	(6,888)	-34.24%
University of Maine Farmington		27,275	20,118	(7,157)	-35.58%
LSC					
Champlain College	**	46,650	20,114	(26,536)	-131.93%
Plattsburgh State (SUNY)		28,464	20,114	(8,350)	-41.51%
Westfield State University		25,786	20,114	(5,672)	-28.20%
Eastern Connecticut State University		34,093	20,114	(13,979)	-69.50%
VTC					
UVM	*	27,006	22,374	(4,632)	-20.70%
NH Technical Institute		23,720	22,374	(1,346)	-6.02%
SUNY - Canton		29,709	22,374	(7,335)	-32.78%
SUNY - Delhi		28,360	22,374	(5,986)	-26.75%
Wentworth Institute of Technology	**	42,125	22,374	(19,751)	-88.28%
Champlain College	**	46,650	22,374	(24,276)	-108.50%

* = shows Vermont in state rate to show comparability to VSC in state rate
** = does not differentiate between in state vs. out of state in regard to tuiton, etc.