

Student Affordability

Interim Higher Education Funding Committee

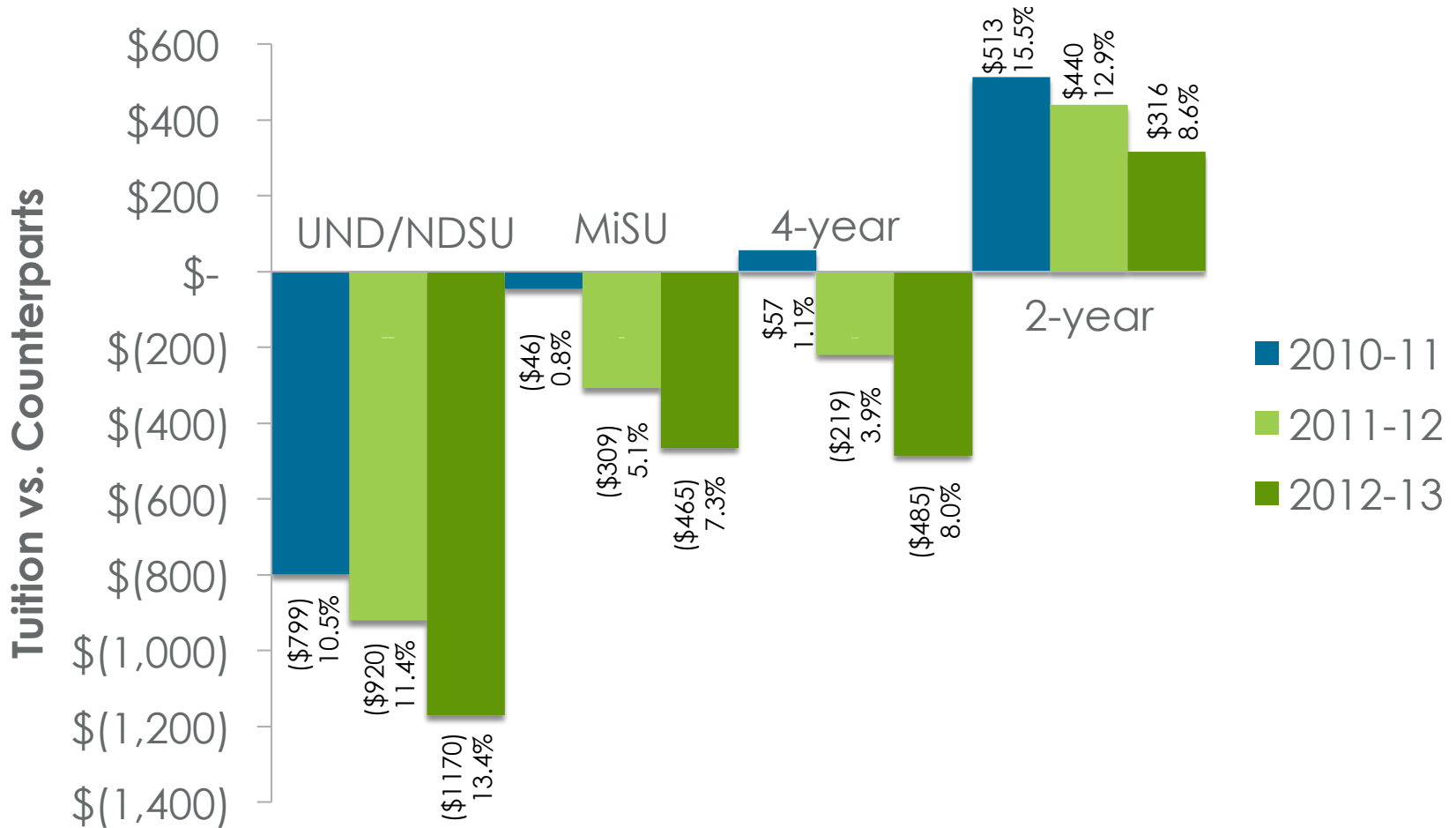
November 20, 2013



HOW DOES ND'S TUITION AND FEES COMPARE TO REGIONAL COUNTERPARTS?

- Tuition and mandatory fees at all NDUS four-year campuses are less than regional counterparts
- Although two-year rates are still considerably higher than the regional average, the gap has narrowed due to tuition freezes in ND in the past four years

NDUS Tuition & Fees Compared to Regional Counterparts



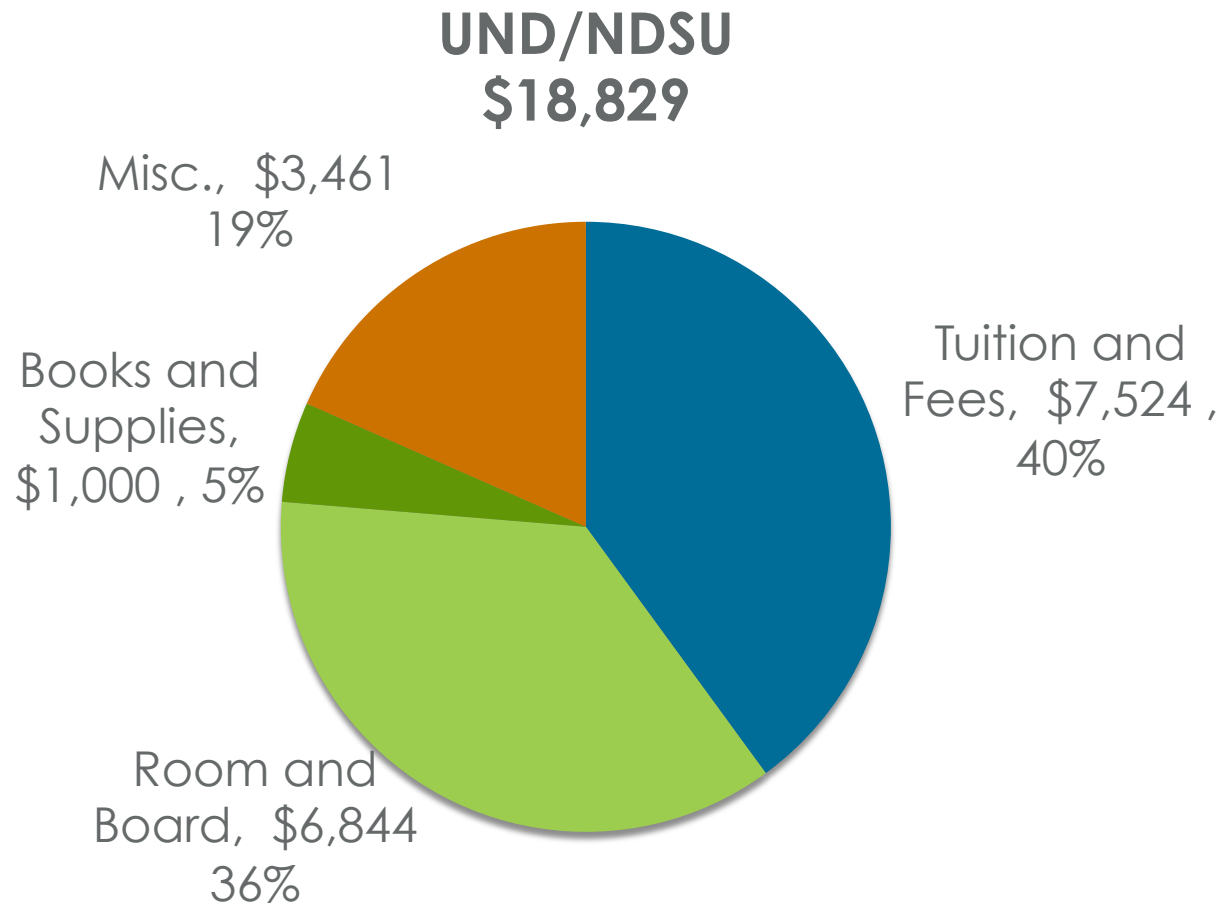
Region includes: CO, IA, KS, MN, MO, MT, NE, OK, SD, WI, WY
 Sources: 2013 Student Affordability, page 3

The logo for NDUS (National Direct Student Union) features a green square on the left and a blue rectangle on the right. The letters "NDUS" are written in white, sans-serif font across the blue rectangle.

NDUS

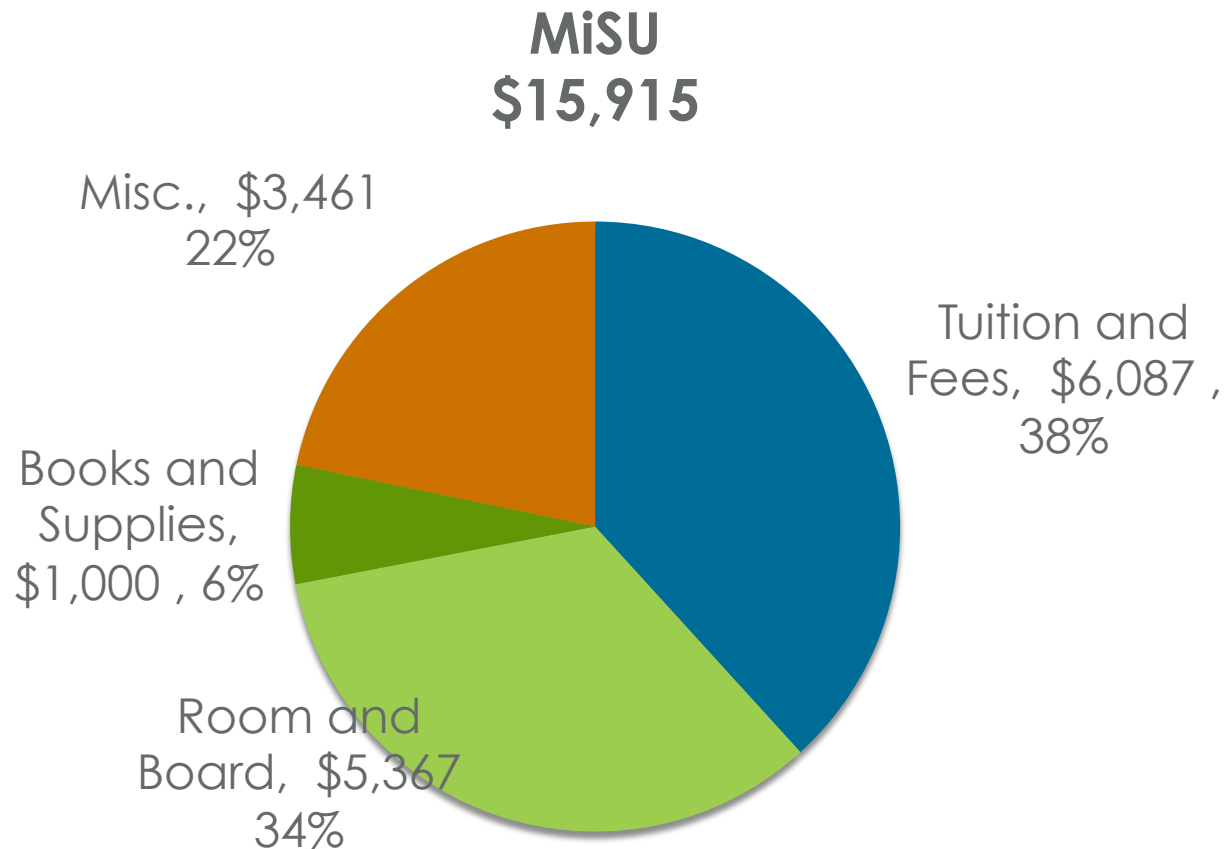
**WHAT IS TOTAL COST PER STUDENT
(STICKER PRICE) FOR A TRADITIONAL ON-
CAMPUS RESIDENT STUDENT?**

Gross Estimated Average Student Costs, by Tier – 2013-14 AY



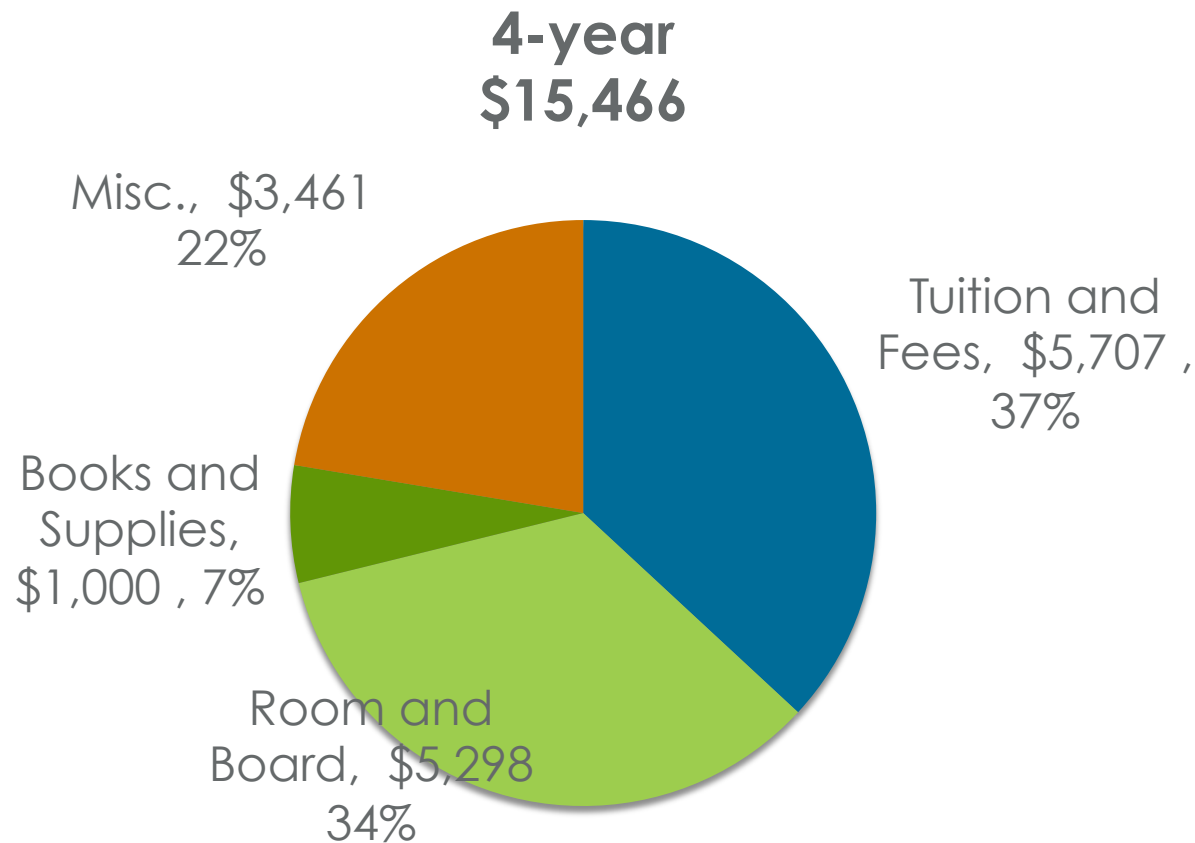
Misc. includes travel and other misc used for financial aid packaging
Source: 2013 Student Affordability Report

Gross Estimated Average Student Costs, by Tier – 2013-14 AY



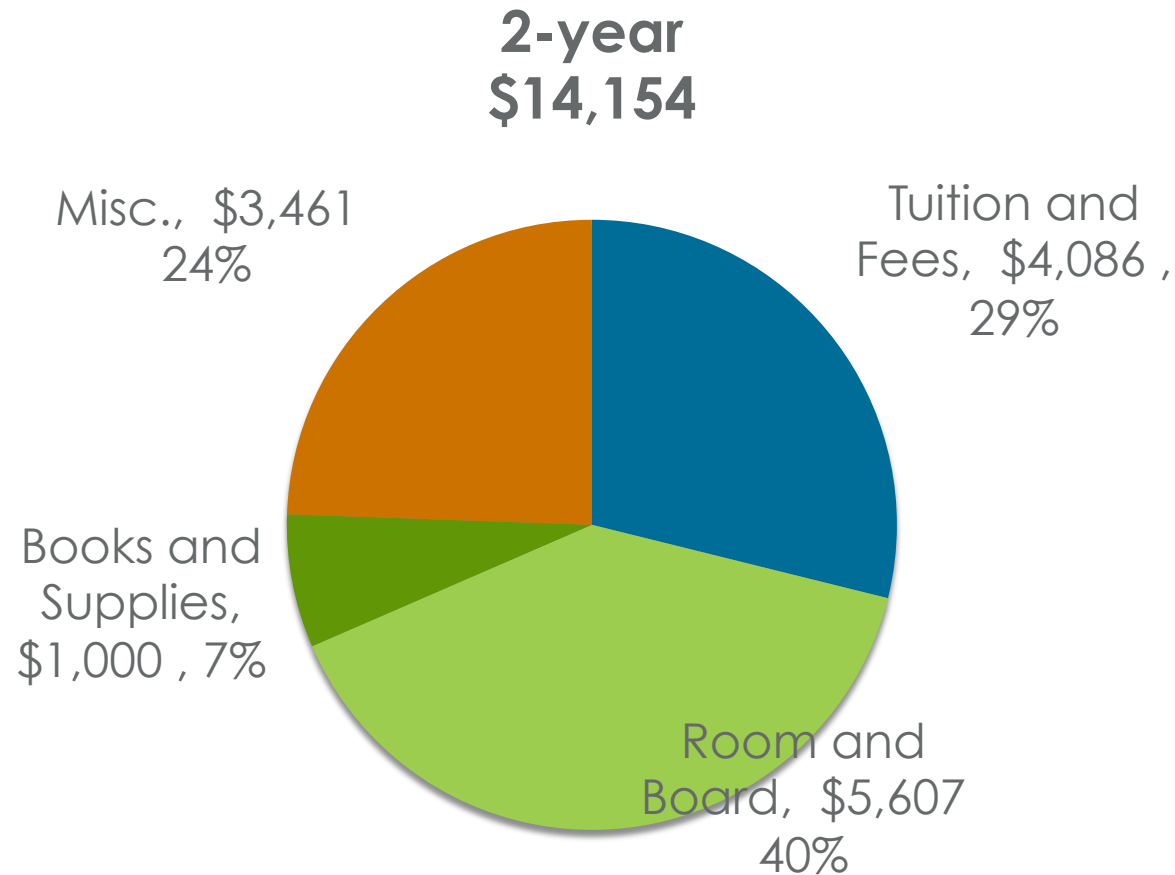
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Gross Estimated Average Student Costs, by Tier – 2013-14 AY



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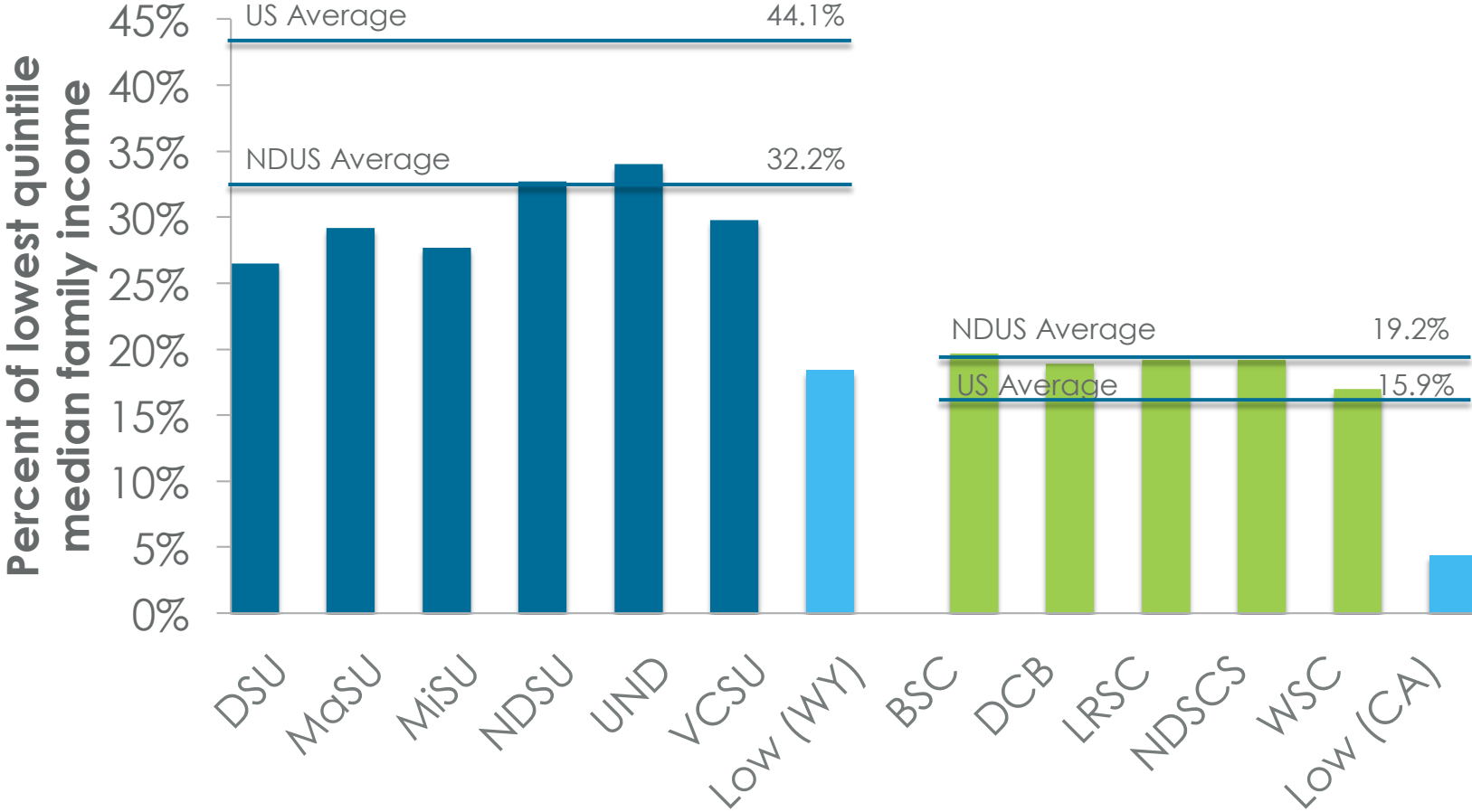


Misc. includes travel and other misc used for financial aid packaging
Source: 2013 Student Affordability Report

HOW AFFORDABLE ARE NDUS COLLEGES TO ND FAMILIES WITH THE LEAST ABILITY TO PAY?

- Tuition and fees, as a percentage of lowest quintile median family income are generally lower than the national average at four-year campuses, but higher at two-year campuses

T&F as a % of Lowest Quintile Median Family Income



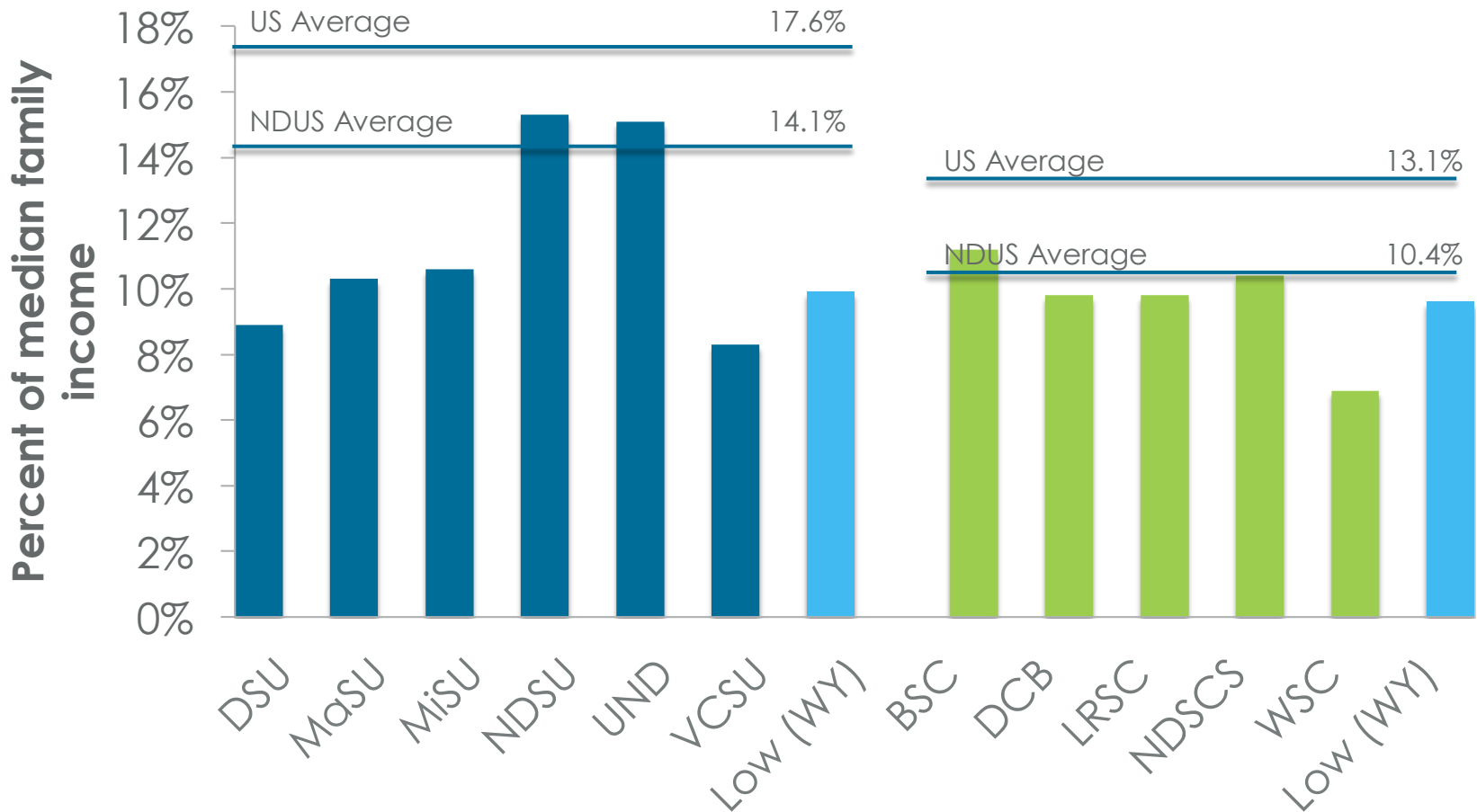
Source: 2012 NDUS Accountability Report



HOW AFFORDABLE ARE NDUS COLLEGES AND UNIVERSITIES TO ALL FAMILIES?

- Net college expenses (after deducting grant aid), as a percent of median family income of all income groups, in ND is lower than the national average at all NDUS campuses

Net College Expenses as a % of Median Family Income



For 2 yr campuses, assumes average 4 yr campus room and board rates for nat'l comparability

Source: 2012 NDUS Accountability Report





What Aid is Available?

SUMMARY OF STUDENT AID PROGRAMS

Federal Grants

- ▣ Federal Pell grant-range is \$574 to \$5,645/yr.
- ▣ Supplemental Educational Opportunity Grant (SEOG) – between \$100-\$4,000/yr.
- ▣ Work Study – provides employment

Federal Loans

- Federal Direct Subsidized Loans – 3.86% interest
- Federal Direct Unsubsidized Loans - 3.86%
undergrad and 5.41% grad interest
- Federal Direct Plus Loans – 6.41% fixed rate
- Federal Perkins Loans – 5% rate
- Bank of ND – Deal Loan – 5.93% fixed or 1.75%
variable rate

Federal Tax Benefits

- ▣ American Opportunity Credit- up to \$2,500/yr
- ▣ Lifetime Learning Credit – up to \$2,000/yr.
- ▣ Either or, not both

Nationally in 2012-13

- 49% of all aid was in the form of grants
- 43% was in the form of federal loans
- Federal gov funded
 - 71% of all student aid
 - 41% of all grant aid (to postsecondary students)
- Undergrad students received an avg of \$13,730 / FTE in aid, including
 - \$7,109 in grants (from all sources)
 - \$4,900 in loans

NDUS Federal Grant and Work Study Annual Allocations

	Pell Grant	Unduplicated total- SEOG, Work Study, Perkins Loan
2012-13		
Undergraduate enrollment – NDUS only	50,516	
# receiving aid (unduplicated) – NDUS only	10,855	5,422
Total dollar amount	\$37,591,361	\$8,557,051
Average per student	\$3,463	\$1,570

Source: NDUS Office of Financial Aid Report





State Funded Aid Programs

Need, Merit and Loan Forgiveness

Need-Based Aid Indian Scholarship Program

2012-13

Native American Students Attending College	2,410
ND Indian Scholarship Awards	233

Program Summary

- ▣ 13-'15 Funding: \$667,350
- ▣ ND resident who is
 - An enrolled member of a federally recognized Indian tribe
 - Full time enrollment
 - \$1,200 undergrad / yr, \$1,800 grad / yr
 - Students maintaining 3.5 GPA or higher awarded merit scholarship

Source: NDUS Office of Financial Aid

Need-Based Aid

□ State Grant Program

- '13-'15 Funding: \$22,394,300
- \$1,648 annual maximum award
- Expanded in '13-'14 to include both full and part time students
- Based on unmet need: cost of attendance LESS parent/student expected contribution LESS federal Pell Grant LESS other need-based aid and scholarships
- Available to students attending any ND institution offering programs of 2+ years in length

State Grant Program 2012-13

	Public	Private/ Hospital	Native American	Total
Academic Year 2012-13 enrollment	50,516	4,998	2,954	58,374
# of students receiving awards	6,490	948	676	8,114
Total dollars amount of awards	\$8,532,887	\$1,253,288	\$838,644	\$10,624,816
% of total dollars awarded	80.3%	11.8%	7.9%	
% of all ND students attending college	12.8%	18.7%	23.6%	13.9%

Source: NDUS Office of Financial Aid





State Funded Aid Programs

Merit-Based Aid

Merit Based: ND Scholars Program

2013 High School Grads

Offers made	83
Offers accepted	46
% accepted	55%
ACT score range funded	32-36

Program Summary

- '13-15 Funding: \$2,340,424
- Retain best & brightest ND high school graduates to stay in state for college
- Based on junior yr ACT – top 5% of ND test takers considered candidates
- Provides full tuition scholarship (up to highest public rate), PLUS one-time \$2,000 stipend to freshmen
- Renewable for up to 3 years, if GPA 3.5 or better
- Funded students with ACT of about 32 and above in past

Source: NDUS Office of Financial Aid

Merit-Based Aid

□ **Academic and CTE Scholarship**

- '13-'15 Funding: \$14,158,261
- Encourage rigorous high school curriculum
- Encourage students to attend college in ND
- Public, private, and tribal eligible
- 24 or higher on ACT, or at least 5 on three WorkKeys Assessment
- \$750 / semester, up to \$6,000
- Renewable if full time and cum GPA 2.75+
- More detailed report presented separately

Loan Forgiveness

- '13-'15 Funding: \$3,367,055
 - ▣ **STEM Loan Forgiveness**
 - ▣ **Teacher Shortage Loan Forgiveness**
 - ▣ **Doctoral Programs (\$260,000/yr.)**

STEM Loan Forgiveness

2012-13

# of applications received	1,010
# of awards made	892
Total dollar amount of awards	\$1,338,000

Program Summary

- \$1,500 / yr employed in approved STEM occupation in ND
- Maximum of four years or \$6,000
- Examples:
 - Engineering
 - Computer and information sciences
 - Health
 - Education

Source: NDUS Office of Financial Aid

Teacher Shortage Loan Forgiveness

2012-13

# of applications received	400
# of awards made	368
# of shortage areas funded	19
Total dollar amount of awards	\$368,000

Program Summary

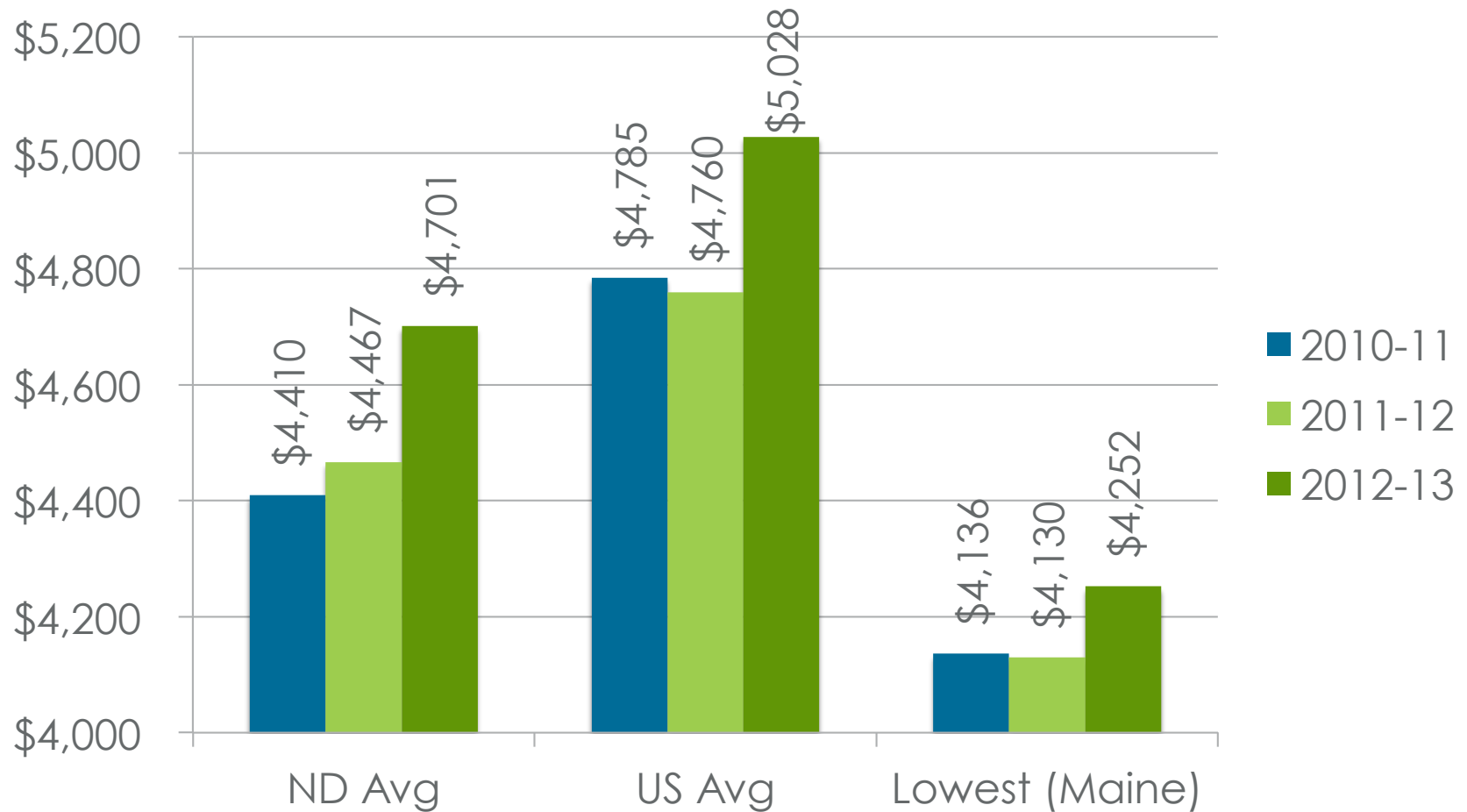
- ▣ \$1,000 / yr for teaching K-12 in shortage areas
- ▣ Shortage areas defined by DPI
- ▣ Maximum of three years or \$3,000
- ▣ Examples of shortage areas:
 - English language
 - Science
 - Social studies
 - Math
 - Special ed

Source: NDUS Office of Financial Aid

HOW DOES ND STUDENT LOAN DEBT COMPARE?

- ▣ ND student annual debt is less than the national average
- ▣ ND ranks 38th out of 51 states

Average Amount of Annual Debt – Public Institutions Only



Based on direct loans (under and grad): sub, unsub, parent plus, of publics only
Source: 2012 NDUS Accountability Report

ND Student Loan Debt

- Total avg cumulative debt for the ND Class of 2011 was 103% of the national average for public and private non-profit schools combined.
- ND ranked 13th of 48 states

Cumulative Average Loan Debt – Public and Private Non-Profit Senior Class of 2011

	Average Debt	Percent with Debt
ND Average	\$27,425	83%
US Average	\$26,600	66%
ND as a % of US average	103%	
Lowest (Utah)	\$17,227	45%

Source: Student Debt and the Class of 2011, Institute for College Access and Success, October 2012

Source: NDUS Office of Financial Aid, Student Loan Default Rates Report



Student Loan Default Rates

	Cohort Year 2011 (2 year)
ND Average	5.6 %
US Average	10.0 %

The phrase “cohort default period” refers to the 2-yr period that begins on 10/1 of the FY when the borrower enters repayment and ends on 9/30 of the following fiscal year of FFEL’s and/or Direct Loans. This is the period during which a borrower’s default affects the school’s cohort default rate.