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# 2016 COLLEGE AFFORDABILITY DIAGNOSIS

## DELAWARE



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# DELAWARE

COLLEGE  
AFFORDABILITY  
RANKING

16

Nearly 30 percent of undergraduates in Delaware enroll at public two-year institutions and pay, on average, about 17 percent of their income to pay for educational expenses. Students would have to work more than 20 hours a week to pay educational expenses at these institutions. Lower income families would need more than a third of their annual income to cover these costs. But the state's only public research university, the University of Delaware, has become increasingly unaffordable.

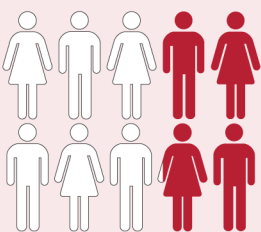
Delaware enrolls nearly 40 percent of students in the University of Delaware, where the percent of family income needed to attend college full time has increased since 2008. Students would have to work an average of 40 hours a week to pay for the annual costs of attending this university full time. For the 18 percent of Delaware families earning less than \$30,000 per year, the cost of attending this institution full time would eat up more than half of their annual pay.

In 2020, 30 percent of the state's high school students will be Black. But as of 2014, there were significant gaps in higher educational attainment between Whites and Blacks, the largest

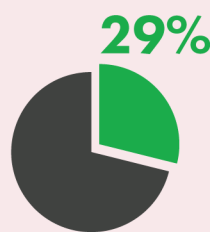
minority group. Delaware will have to develop a more comprehensive strategy focused on affordability at all sectors to address substantial educational attainment gaps and workforce needs.

- ▶ The percent of family income required to attend all public four-year colleges and universities has increased in Delaware since 2008.
- ▶ Delaware enrolls 39 percent of its students in its public research institution. Students would have to work 40 hours a week, on average, to pay for annual educational costs while attending college full time.
- ▶ Delaware provides \$387 per student in need-based financial aid to attend public institutions, compared to the national average of \$474.
- ▶ By 2020, 30 percent of high school students in Delaware will be Black. As of 2014, a large gap existed in educational attainment between Whites and Blacks (43 percent vs. 31 percent).

More Delaware students attend **public research institutions** than any other kind of institution, with **39 percent enrolled**. Families would spend, on average, **29 percent of annual income** to pay for full-time attendance.



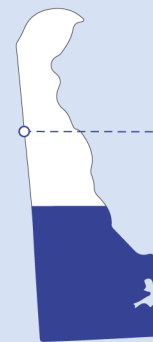
Percentage of students attending public research institutions



Percentage of family income required to pay for full-time attendance

On average, **40 percent** of working-age Delaware state residents (age 25-64) have an associate's degree or higher.

By 2020, **63 percent of jobs will require an associate's degree or higher.**



**63%**

Jobs requiring associate's degree or higher by 2020

**40%**

Workforce with associate's degree or higher, as of 2014

# WHAT PERCENT OF FAMILY INCOME would be needed to attend college full time?

	Percent of Income 2008	Percent of Income 2013	Ranking*
<b>Public Two-Year</b> (29 percent of enrollment) **	<b>19</b>	<b>17</b>	<b>20</b>
<b>Public Four-Year Nondoctoral</b> (8 percent of enrollment)	<b>20</b>	<b>36</b>	<b>46</b>
<b>Public Research</b> (39 percent of enrollment)	<b>26</b>	<b>29</b>	<b>23</b>
<b>Private Four-Year Nondoctoral</b> (5 percent of enrollment)	<b>47</b>	<b>44</b>	<b>25</b>
<b>Private Research</b> (19 percent of enrollment)	<b>38</b>	<b>34</b>	<b>7</b>

\* This measure ranked states 1-50. The lower the ranking on this measure, the better a state performed on overall college affordability.

\*\* Enrollment may not add up to 100% due to rounding.

**NOTE:** The "net price" reported in the following tables for each sector of higher education includes tuition, mandatory fees, room/board and books *minus* all financial aid (federal, state and institutional).

For information on how these measures were calculated or which institutions were included, please see the technical report, available at [www2.gse.upenn.edu/irhe/affordability-diagnosis](http://www2.gse.upenn.edu/irhe/affordability-diagnosis).

## STATE INCOME PROFILE

Income  
**\$0—30,000**  
Average Income in Group  
**\$17,551**  
Families in Group  
**18%**

Income  
**\$30,000 —48,000**  
Average Income in Group  
**\$39,391**  
Families in Group  
**15%**

Income  
**\$48,000—75,000**  
Average Income in Group  
**\$60,663**  
Families in Group  
**22%**

Income  
**\$75,000—110,000**  
Average Income in Group  
**\$91,078**  
Families in Group  
**20%**

Income  
**\$110,000 and above**  
Average Income in Group  
**\$182,650**  
Families in Group  
**25%**

# PERCENT OF FAMILY INCOME needed to attend full time:

### PUBLIC TWO-YEAR INSTITUTION

	Net Price	% of Income Needed to Pay Net Price
\$0—30,000	6,320	<b>36</b>
\$30,000—48,000	7,087	<b>18</b>
\$48,000—75,000	8,933	<b>15</b>
\$75,000—110,000	10,450	<b>11</b>
\$110,000 and above	10,805	<b>6</b>

Students would have to work 23 hours a week, on average, at federal minimum wage to pay for college expenses to attend a public two-year institution full time.

### PUBLIC FOUR-YEAR NONDOCTORAL INSTITUTION

	Net Price	% of Income Needed to Pay Net Price
\$0—30,000	15,073	<b>86</b>
\$30,000—48,000	15,922	<b>40</b>
\$48,000—75,000	16,360	<b>27</b>
\$75,000—110,000	15,993	<b>18</b>
\$110,000 and above	15,708	<b>9</b>

Students would have to work 42 hours a week, on average, at federal minimum wage to pay for college expenses to attend a public four-year nondoctoral institution full time.

### PUBLIC RESEARCH INSTITUTION

	Net Price	% of Income Needed to Pay Net Price
\$0—30,000	10,643	<b>61</b>
\$30,000—48,000	11,086	<b>28</b>
\$48,000—75,000	13,950	<b>23</b>
\$75,000—110,000	18,621	<b>20</b>
\$110,000 and above	21,523	<b>12</b>

Students would have to work 40 hours a week, on average, at federal minimum wage to pay for college expenses to attend a public four-year research institution full time.

Source: Income data: U.S. Census Bureau; Net price data: U.S. Department of Education.

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**\$182,650**  
Families in Group  
**25%**

**PERCENT OF FAMILY INCOME  
needed to attend full time:**

**PRIVATE FOUR-YEAR NONDOCTORAL INSTITUTION**

	Net Price	% of Income Needed to Pay Net Price
\$0—30,000	18,538	<b>106</b>
\$30,000—48,000	17,095	<b>43</b>
\$48,000—75,000	20,279	<b>33</b>
\$75,000—110,000	21,738	<b>24</b>
\$110,000 and above	23,568	<b>13</b>

Students would have to work 55 hours a week, on average, at federal minimum wage to pay for college expenses to attend a private four-year nondoctoral institution full time.

**PRIVATE RESEARCH INSTITUTION**

	Net Price	% of Income Needed to Pay Net Price
\$0—30,000	14,296	<b>81</b>
\$30,000—48,000	14,648	<b>37</b>
\$48,000—75,000	15,621	<b>26</b>
\$75,000—110,000	16,184	<b>18</b>
\$110,000 and above	16,729	<b>9</b>

Students would have to work 41 hours a week, on average, at federal minimum wage to pay for college expenses to attend a private research institution full time.

Source: Income data: U.S. Census Bureau; Net price data: U.S. Department of Education.

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## WHAT INVESTMENT DOES THE STATE MAKE to financial aid programs to make college more affordable?

### TOTAL STATE FINANCIAL AID DOLLARS PER STUDENT AT PUBLIC TWO- AND FOUR-YEAR INSTITUTIONS

	2004	2007	2013	National Average, 2013
<b>Need-Based Aid</b>	376	134	387	474
<b>Other Aid</b>	13	296	200	210

### TOTAL STATE FINANCIAL AID DOLLARS PER STUDENT AT PRIVATE INSTITUTIONS

	2004	2007	2013	National Average, 2013
<b>Need-Based Aid</b>	0	0	0	644
<b>Other Aid</b>	14	58	35	221

Data Source: National Association of State Student Grant and Aid Programs and the U.S. Department of Education.

## HOW MUCH IS ANNUAL UNDERGRADUATE BORROWING for students who earn and do not earn degrees?

- ▶ Students who enroll in public research institutions typically borrow \$3,048 annually.
- ▶ Students who enroll at private research institutions typically borrow \$2,063 annually.
- ▶ Students who enroll at public four-year nondoctoral institutions typically borrow \$5,480 annually.
- ▶ Students who enroll at private four-year nondoctoral institutions typically borrow \$5,852 annually.
- ▶ In contrast, students who enroll at public two-year institutions borrow \$826 annually.

Data Source: U.S. Department of Education.

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# WHAT CONSIDERATIONS SHOULD STATES take into account in establishing policies on college affordability?

## Workforce Needs

- ▶ By 2020, 63 percent of jobs in Delaware will require a postsecondary credential.
- ▶ Delaware is 37th in terms of states with the highest percentage of jobs that will require a postsecondary credential in the future.

## Educational Attainment

- ▶ As of 2014, 42 percent of young adults in Delaware (ages 25-34) had an associate's degree or higher compared to 42 percent nationally.
- ▶ As of 2014, 40 percent of working age adults in Delaware (ages 35-64) had an associate's degree or higher, compared to 40 percent nationally.

## Educational Attainment by Race/Ethnicity

- ▶ As of 2014, on average 40 percent of working age Delaware state residents (age 25-64) have an associate's degree or higher. However, attainment varies by race: 43 percent of Whites have an associate's degree or higher but the other two most populous racial groups (Blacks and Hispanics) have attainment of only 31 percent and 22 percent respectively.

## Educational Pipeline in Delaware

- ▶ In 2020, Delaware's public high school graduates are projected to be 30 percent Black and 12 percent Hispanic.
- ▶ The total number of high school graduates at public institutions in Delaware are projected to grow by 4 percent between 2020 and 2028.
- ▶ However, the percent of graduates that are Black is projected to increase by 3 percent and the percent of graduates that are Hispanic in Delaware is projected to increase by 1 percent. White high school graduates are projected to decline by 3 percent over the same time period.
- ▶ The decline in White graduates is similar to projections for the nation (4 percent decline in White graduates between 2020 and 2028). The growth in Black graduates is also similar to national patterns (Black graduates are projected to increase 1 percent nationally) as is the growth in Hispanics (Hispanics are projected to increase by 2 percent of graduates between 2020 and 2028).

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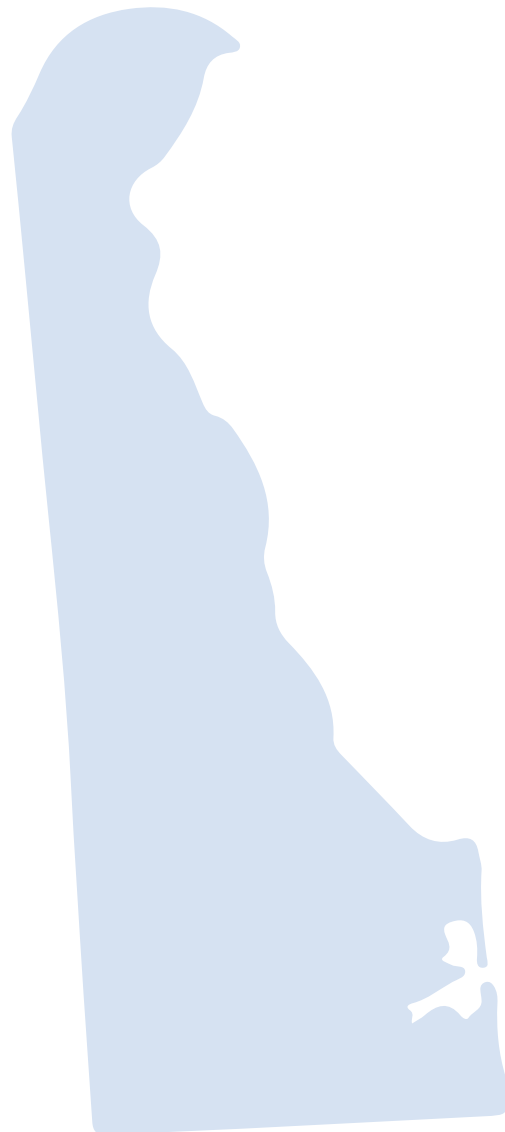


### Children in Poverty

- ▶ The percent of children living in poverty in Delaware increased between 2005 and 2013, from 15 percent to 17 percent.
- ▶ In 2013 Delaware was ranked 12th in terms of percent of children living in poverty. Rank order is from lowest to highest percentages of poverty.

### Student Share of Total State and Tuition Revenues for Public Higher Education

- ▶ In Delaware, total student share of state and net tuition revenues per full time student was 46 percent in 1989, 55 percent in 2000, and 73 percent in 2014, adjusted for inflation. This pattern shows that net tuition revenues were increasing as a share of higher education funding from 1989 to 2000 but after the 2007-08 recession net tuition revenues increased even more rapidly.



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# POLICY QUESTIONS FOR STATE LEADERS

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- ▶ In what types of higher education institutions (sectors) has the state lost ground in college affordability?
- ▶ What are the economic circumstances of families in the state (by income quintiles, by different regions of the state, etc.)? What are the implications for college affordability?
- ▶ What is the projected demand for an educated workforce in the state? How far is your state from addressing this demand? To what extent is college affordability one of the barriers in educating more state residents?
- ▶ What are the gaps in college attainment between Whites and minority groups in your state? How can state policies on college affordability help to narrow these gaps?
- ▶ How is tuition policy related, if at all, to the income of the students and families that the state must educate?
- ▶ If tuition policy is delegated to public institutions, how does the state provide oversight to ensure that tuition and other educational costs are affordable for students and families?
- ▶ In what ways can state policies related to tuition be more tightly coupled with state policies on institutional appropriations and financial aid to address college affordability?
- ▶ To what extent do tuition policies encourage access to higher education and completion of certificates and degrees? How do financial aid policies address the needs of both young and working-age students?
- ▶ In what ways has the state provided incentives for institutions to improve efficiency and productivity in order to reduce the overall costs to students?
- ▶ Research shows that students who work more than 20 hours a week are less likely to make progress toward or complete their certificate or degree programs. How is the state alleviating the need for students to work more than 20 hours a week so that they can focus more on earning their certificates and degrees?
- ▶ How much are students borrowing relative to the percent of family income needed to pay for postsecondary education?
- ▶ Are all state policies that influence college affordability inadvertently stratifying higher education by income or race?

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