

INSTITUTE for RESEARCH on HIGHER EDUCATION





COLLEGE AFFORDABILITY DIAGNOSIS



Suggested Citation:

Institute for Research on Higher Education. (2016). College Affordability Diagnosis: Kansas. Philadelphia, PA: Institute for Research on Higher Education, Graduate School of Education, University of Pennsylvania. http://www2.gse.upenn.edu/irhe/affordability-diagnosis

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KANSAS

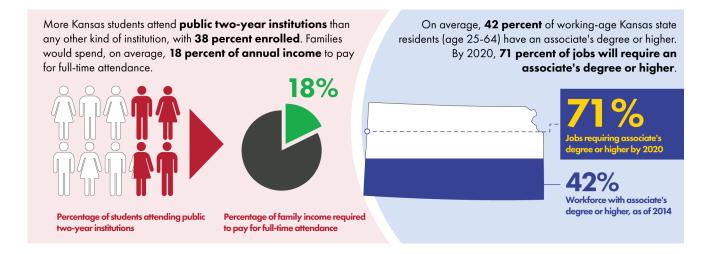
More than two thirds of Kansas college students are enrolled in either public two-year colleges or public research universities, both of which perform in the bottom half of all states. This combination has made postsecondary education increasingly less affordable at a time when the state needs a more educated workforce.

Students at public two-year institutions would have to work, on average, 23 hours a week to pay costs to attend full time. Lower income families would need to spend more than a third of their family income to pay for college expenses at these institutions.

Kansas's public research universities enroll a third of undergraduates. These students would have to work, on average, 40 hours a week to pay for costs to attend these institutions full time. The decrease in affordability at public research universities has also affected middle-income families. On average, middle-income families would need more than 25 percent to 28 percent of their family income to pay for full-time college expenses.

Kansas's mediocre performance on college affordability will create substantial challenges to meet workforce needs of the state by 2020 or for the state to close substantial gaps in college attainment between White and Hispanic students.

- The percent of family income needed to pay for college expenses has increased since 2008 at all Kansas institutions, with the exception of private four-year nondoctoral institutions.
- Kansas educates 38 percent of its students in public two-year institutions. Students would have to work, on average, 23 hours a week to cover costs to attend public two-year institutions full time.
- Kansas provides \$62 per student in need-based financial aid to students attending public institutions, compared with the national average of \$474.
- By 2020, Kansas's high school student population will be 15 percent Hispanic. As of 2014, however, Hispanic college attainment lagged behind White attainment, 19 percent versus 45 percent.
- By 2020, 71 percent of jobs in Kansas will require a postsecondary credential. As of 2014, 43 percent of young adults (age 25–34) and 42 percent of working-age adults (age 35–64) had an associate's degree or higher.



COLLEGE AFFORDABILITY RANKING

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

	Percent of Income 2008	Percent of Income 2013	Ranking*
Public Two-Year (38 percent of enrollment)**	17	18	31
Public Four-Year Nondoctoral (17 percent of enrollment)	24	25	21
Public Research (33 percent of enrollment)	30	34	40
Private Four-Year Nondoctoral (12 percent of enrollment)	38	37	5
Private Research (NA percent of enrollment)	NA	NA	NA

* 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).

STATE INCOME PROFILE

\$0-30,000

Families in Group

\$30,000 - 48,000

Families in Group

\$48,000-75,000 Average Income in Group

Families in Group

\$75,000-110,000 Average Income in Group

Average Income in Group

Average Income in Group

Income

\$17,970

19%

Income

\$39,162

17%

Income

\$61,146

24%

Income

PERCENT OF FAMILY INCOME needed to attend full time:

PUBLIC TWO-YEAR INSTITUTION			
Net Price	% of Income Needed to Pay Net Price		
6,910	38		
7,537	19		
9,362	15		
10,569	12		
10,419	6		
	Net Price 6,910 7,537 9,362 10,569		

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	9,425	52
\$30,000-48,000	10,571	27
\$48,000—75,000	12,875	21
\$75,000-110,000	14,635	16
\$110,000 and above	14,448	8

Students would have to work 33 hours a week, on average, at federal minimum wage to pay for college expenses to attend a public four-year nondoctoral institution full time.

\$91,320	PUBLIC RESEARCH INSTITUTION			
Families in Group 20%		Net Price	% of Income Needed to Pay Net Price	
Income \$110,000 and above Average Income in Group \$185,839 Families in Group 20%	\$0-30,000	13,572	76	
	\$30,000-48,000	13,665	35	
	\$48,000-75,000	16,900	28	
	\$75,000-110,000	19,326	21	
	\$110,000 and above	18,722	10	
2070	Students would have to work 40 hours a we	eek, on average, at	federal minimum wage to pay	

for college expenses to attend a public research institution full time.

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

STATE INCOME PROFILE

PERCENT OF FAMILY INCOME needed to attend full time:

PRIVATE FOUR-YEAR NONDOCTORAL INSTITUTION

ncome			Net Price	% of Income Needed to Pay Net Price
\$0-30,000		\$0—30,000	15,910	89
Average Income in Group \$17,970		\$30,000-48,000	15,383	39
amilies in Group	\$48,000-75,000	16,822	28	
19%		\$75,000-110,000	19,152	21
		\$110,000 and above	20,134	11
Incomo				

Students would have to work 48 hours a week, on average, at federal minimum wage to pay for college expenses to attend a private four-year nondoctoral institution full time.

Income **\$30,000 — 48,000** Average Income in Group **\$39,162** Families in Group **17%**

Income **\$48,000—75,000** Average Income in Group **\$61,146** Families in Group **24%**

Income **\$75,000—110,000** Average Income in Group **\$91,320** Families in Group **20%**

Income \$110,000 and above Average Income in Group \$185,839 Families in Group 20%

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

Other Aid

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
Need-Based Aid	45	61	62	474
Other Aid	12	0	11	210

TOTAL STATE FINANCIAL AID DOLLARS PER STUDENT AT PRIVATE
INSTITUTIONS200420072013National Average, 2013Need-Based Aid411445408644

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

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

 Students who enroll in public research institutions typically borrow \$3,617 annually.

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 Students who enroll at public four-year nondoctoral institutions typically borrow \$4,356 annually.

Data Source: U.S. Department of Education.

- Students who enroll at private four-year nondoctoral institutions typically borrow \$5,116 annually.
- ► In contrast, students who enroll at public twoyear institutions borrow \$1,849 annually.

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

Workforce Needs

- By 2020, 71 percent of jobs in Kansas will require a postsecondary credential.
- Kansas is 7th in terms of states with the highest percentage of jobs that will require a postsecondary credential in the future.

Educational Attainment

- As of 2014, 43 percent of young adults in Kansas (ages 25-34) had an associate's degree or higher compared to 42 percent nationally.
- As of 2014, 42 percent of working age adults in Kansas (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 42 percent of working age Kansas state residents (age 25-64) have an associate's degree or higher. However, attainment varies by race: 45 percent of Whites have an associate's degree or higher but the other two most populous racial groups (Hispanics and Blacks) have attainment of only 19 percent and 29 percent respectively.

Educational Pipeline in Kansas

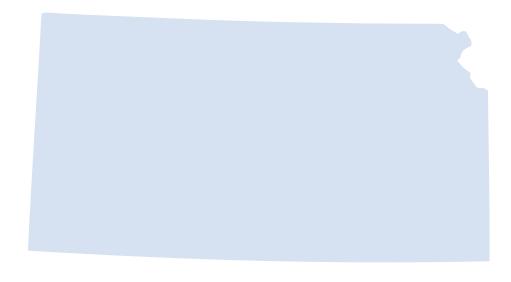
- Hispanic college attainment lags behind White attainment, 19 percent versus 45 percent.
- The total number of high school graduates at public institutions in Kansas are projected to increase by 5 percent between 2020 and 2028.
- However, the percent of graduates that are Hispanic will increase by 3 percent and the percent of Black high school graduates in Kansas will remain constant. White high school graduates are projected to decline by 4 percent over the same time period.
- ➤ While the decline in White graduates is similar to projections for the nation (4 percent decline in White graduates between 2020 and 2028), the increase in Hispanic graduates in Kansas is similar but slightly above national patterns (Hispanics are projected to increase by 2 percent between 2020 and 2028). The flat growth in Black graduates is similar but slightly below national trends (Blacks are projected to increase by 1 percent between 2020 and 2028).

Children in Poverty

- The percent of children living in poverty in Kansas increased between 2005 and 2013, from 15 percent to 19 percent.
- In 2013 Kansas was ranked 19th highest 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 Kansas, total student share of state and net tuition revenues per full time student was 25 percent in 1989, 29 percent in 2000, and 51 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.



POLICY QUESTIONS FOR STATE LEADERS

- 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?