



Graduate School of Education
PennGSE

INSTITUTE *for* RESEARCH *on* HIGHER EDUCATION



VANDERBILT
PEABODY COLLEGE



HIGHER EDUCATION
POLICY INSTITUTE

2016 COLLEGE AFFORDABILITY DIAGNOSIS

MISSISSIPPI



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MISSISSIPPI

COLLEGE
AFFORDABILITY
RANKING

36

Deep levels of poverty and zero need-based state financial aid threaten the ability of Mississippi to adequately educate its populace.

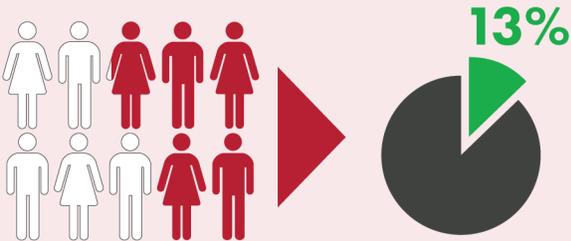
Mississippi's public research universities are among the least affordable in the nation. Students would need to work, on average, more than 40 hours a week to cover the costs of attending these institutions full time. Lower income families would need to spend over three fourths of their annual income to pay for full-time college expenses at these institutions.

Nearly half of all Mississippi undergraduates enroll in public two-year institutions. Although these institutions are among the most affordable nationally, expenses at these institutions still require a large portion of the income of the state's poorest. Lower income families would have to spend over one quarter of annual family income to cover the cost of full-time attendance.

Substantial gaps in college degree attainment exist between Whites and Blacks in the state. By 2020, 47 percent of Mississippi's high school graduates will be Black.

- ▶ The percent of family income needed to pay for college expenses has increased since 2008 at all types of institutions in Mississippi with the exception of public two-year institutions.
- ▶ Mississippi educates 49 percent of its students in its public two-year institutions. Students would have to work, on average, 16 hours per week to cover full-time attendance costs at these institutions.
- ▶ Mississippi educates 36 percent of its students in public research universities. Students would have to work, on average, 43 hours per week to cover costs to attend these institutions full time.
- ▶ Mississippi provides no need-based financial aid to students attending public institutions, compared to the national average of \$474 per student.
- ▶ By 2020, Mississippi's high school graduates will be 47 percent Black. As of 2014, however, there were substantial gaps between Black educational attainment and White attainment, 24 percent versus 36 percent.
- ▶ Nearly 1 in 3 children live in poverty in Mississippi.

More Mississippi students attend **public two-year institutions** than any other kind of institution, with **49 percent enrolled**. Families would spend, on average, **13 percent of annual income** to pay for full-time attendance.



Percentage of students attending public two-year institutions

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

On average, **31 percent** of working-age Mississippi state residents (age 25-64) have an associate's degree or higher.

By 2020, **61 percent of jobs will require an associate's degree or higher.**



61%

Jobs requiring associate's degree or higher by 2020

31%

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*
Public Two-Year (49 percent of enrollment) **	13	13	2
Public Four-Year Nondoctoral (7 percent of enrollment)	23	29	30
Public Research (36 percent of enrollment)	28	35	44
Private Four-Year Nondoctoral (7 percent of enrollment)	33	37	4
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).

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.

STATE INCOME PROFILE

Income

\$0—30,000

Average Income in Group

\$16,256

Families in Group

33%

Income

\$30,000 —48,000

Average Income in Group

\$38,787

Families in Group

19%

Income

\$48,000—75,000

Average Income in Group

\$60,788

Families in Group

21%

Income

\$75,000—110,000

Average Income in Group

\$90,691

Families in Group

14%

Income

\$110,000 and above

Average Income in Group

\$176,411

Families in Group

12%

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	4,586	28
\$30,000—48,000	5,307	14
\$48,000—75,000	6,713	11
\$75,000—110,000	7,850	9
\$110,000 and above	8,715	5

Students would have to work 16 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	11,461	71
\$30,000—48,000	12,697	33
\$48,000—75,000	12,848	21
\$75,000—110,000	13,058	14
\$110,000 and above	13,321	8

Students would have to work 32 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	13,499	83
\$30,000—48,000	13,812	36
\$48,000—75,000	16,582	27
\$75,000—110,000	17,707	20
\$110,000 and above	18,486	10

Students would have to work 43 hours a week, 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.

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STATE INCOME PROFILE

Income

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Average Income in Group

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Families in Group

12%

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	14,628	90
\$30,000–48,000	15,160	39
\$48,000–75,000	17,141	28
\$75,000–110,000	16,073	18
\$110,000 and above	19,109	11

Students would have to work 38 hours a week, on average, at federal minimum wage to pay for college expenses to attend a private four-year nondoctoral 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
Need-Based Aid	0	6	0	474
Other Aid	165	169	176	210

TOTAL STATE FINANCIAL AID DOLLARS PER STUDENT AT PRIVATE INSTITUTIONS

	2004	2007	2013	National Average, 2013
Need-Based Aid	0	23	0	644
Other Aid	274	263	239	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 \$4,484 annually.
- ▶ Students who enroll at public four-year nondoctoral institutions typically borrow \$6,170 annually.
- ▶ Students who enroll at private four-year nondoctoral institutions typically borrow \$5,464 annually.
- ▶ In contrast, students who enroll at public two-year institutions borrow \$1,253 annually.

Data Source: U.S. Department of Education.

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.

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

Workforce Needs

- ▶ By 2020, 61 percent of jobs in Mississippi will require a postsecondary credential.
- ▶ Mississippi is 47th in terms of states with the highest percentage of jobs that will require a postsecondary credential in the future.

Educational Attainment

- ▶ As of 2014, 33 percent of young adults in Mississippi (ages 25-34) had an associate's degree or higher compared to 42 percent nationally.
- ▶ As of 2014, 30 percent of working age adults in Mississippi (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 31 percent of working age Mississippi state residents (age 25-64) have an associate's degree or higher. However, attainment varies by race: 36 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 24 percent and 19 percent respectively.

Educational Pipeline in Mississippi

- ▶ In 2014, a substantial gap exists between Black educational attainment and White attainment, 24 percent versus 36 percent.
- ▶ The total number of high school graduates at public institutions in Mississippi is projected to decline by 6 percent between 2020 and 2028.
- ▶ However, the percent of graduates that are Black in Mississippi is projected to decline by 1 percent and the percent of graduates that are White is projected to decline by 1 percent while the percent of graduates that are Hispanic is projected to grow by 4 percent over the same time period.
- ▶ While the decline in White graduates is similar but less pronounced than projections for the nation (4 percent decline in White graduates between 2020 and 2028), the growth in Hispanic graduates in Mississippi is above national patterns (Hispanics are projected to increase by 2 percent of national high school graduates by 2028). The decline in Black graduates is in the opposite direction of national trends (Blacks are projected to increase by 1 percent of national high school graduates by 2028).

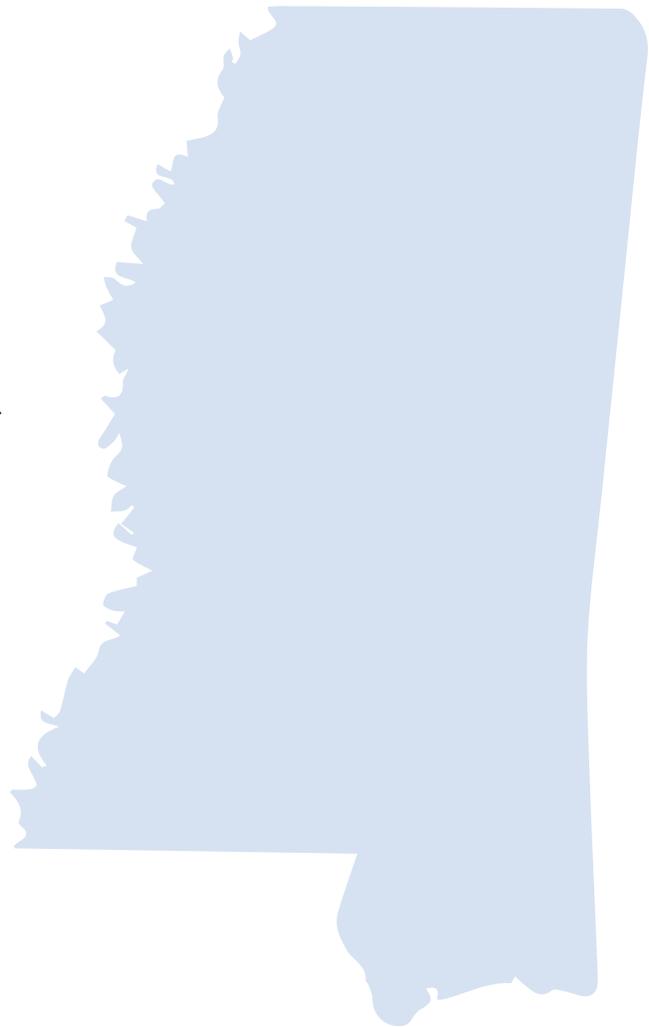
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Children in Poverty

- ▶ The percent of children living in poverty in Mississippi increased between 2005 and 2013, from 31 percent to 32 percent.
- ▶ In 2013 Mississippi was ranked 45th 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 Mississippi, total student share of state and net tuition revenues per full time student was 30 percent in 1989, 25 percent in 2000, and 40 percent in 2014, adjusted for inflation. This pattern shows that net tuition revenues were decreasing as a share of higher education funding from 1989 to 2000 but after the 2007-08 recession net tuition revenues increased rapidly.



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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?

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