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VANDERBILT
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HIGHER EDUCATION
POLICY INSTITUTE

2016 COLLEGE AFFORDABILITY DIAGNOSIS

WEST VIRGINIA



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WEST VIRGINIA

COLLEGE
AFFORDABILITY
RANKING

09

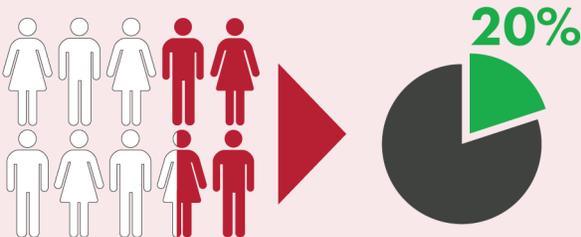
West Virginia's strong ranking on college affordability is compromised by the high percentage of income required from low-income families to attend college. The state provides a generous amount of state-based financial aid, but it is not enough for the poorest West Virginians.

The majority of students attend public colleges in the state. For the nearly one third of West Virginia families that earn \$30,000 or less per year, 36 percent of family income would be required to attend public two-year colleges full time, 42 percent would be required to attend public four-year nondoctoral institutions full time, and 41 percent would be required to attend public four-year research institutions full time.

West Virginia's performance on college affordability will make it difficult to address the large proportion of the population living in poverty or close the gaps that exist between the state's future workforce needs and current educational attainment. By 2020, over half (55 percent) of jobs in West Virginia will require a postsecondary credential, but only 33 percent of young adults (age 25–34) and 27 percent of working-age adults (age 35–64) in the state had an associate's degree or higher by 2014.

- ▶ The percent of family income needed to attend college full time in West Virginia is about the same as it was in 2008.
- ▶ West Virginia students would need to work at least 19 hours a week, on average, to cover the annual educational costs of attending two-year college full time.
- ▶ Students would need to work at least 28 hours a week, on average, to cover the annual educational costs of full-time attendance at West Virginia's public four-year nondoctoral institutions or the public four-year research institutions.
- ▶ West Virginia contributes \$545 per student to need-based financial aid for students to attend public institutions, which is higher than the national average of \$474.
- ▶ Educational attainment by race and ethnicity varies in the state. About 28 percent of Whites have an associate's degree or higher, compared with 22 percent of Blacks.
- ▶ One in four children in West Virginia lives in poverty.

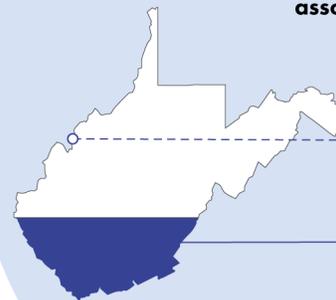
More West Virginia students attend **public four-year nondoctoral institutions** than any other kind of institution, with **36 percent enrolled**. Families would spend, on average, **20 percent of annual income** to pay for full-time attendance.



Percentage of students attending public four-year nondoctoral institutions

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

On average, **28 percent** of working-age West Virginia state residents (age 25–64) have an associate's degree or higher. By 2020, **55 percent of jobs will require an associate's degree or higher**.



55%

Jobs requiring associate's degree or higher by 2020

28%

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 (26 percent of enrollment) **	16	17	16
Public Four-Year Nondoctoral (36 percent of enrollment)	20	20	3
Public Research (29 percent of enrollment)	22	20	2
Private Four-Year Nondoctoral (9 percent of enrollment)	34	38	6
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

\$16,962

Families in Group

28%

Income

\$30,000 —48,000

Average Income in Group

\$39,085

Families in Group

20%

Income

\$48,000—75,000

Average Income in Group

\$60,466

Families in Group

22%

Income

\$75,000—110,000

Average Income in Group

\$90,706

Families in Group

17%

Income

\$110,000 and above

Average Income in Group

\$175,420

Families in Group

13%

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	6,118	36
\$30,000—48,000	6,272	16
\$48,000—75,000	7,876	13
\$75,000—110,000	10,212	11
\$110,000 and above	11,343	6

Students would have to work 19 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	7,075	42
\$30,000—48,000	7,903	20
\$48,000—75,000	10,507	17
\$75,000—110,000	12,567	14
\$110,000 and above	12,566	7

Students would have to work 28 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	7,033	41
\$30,000—48,000	7,703	20
\$48,000—75,000	10,010	17
\$75,000—110,000	13,368	15
\$110,000 and above	13,905	8

Students would have to work 28 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

\$0–30,000

Average Income in Group

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Families in Group

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Income

\$75,000–110,000

Average Income in Group

\$90,706

Families in Group

17%

Income

\$110,000 and above

Average Income in Group

\$175,420

Families in Group

13%

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	15,169	89
\$30,000–48,000	14,323	37
\$48,000–75,000	17,140	28
\$75,000–110,000	19,789	22
\$110,000 and above	21,208	12

Students would have to work 45 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	259	347	545	474
Other Aid	336	549	645	210

TOTAL STATE FINANCIAL AID DOLLARS PER STUDENT AT PRIVATE INSTITUTIONS

	2004	2007	2013	National Average, 2013
Need-Based Aid	411	447	656	644
Other Aid	232	359	652	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 \$3,570 annually.
- ▶ Students who enroll at public four-year nondoctoral institutions typically borrow \$4,981 annually.
- ▶ Students who enroll at private four-year nondoctoral institutions typically borrow \$5,455 annually.
- ▶ In contrast, students who enroll at public two-year institutions borrow \$2,250 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, 55 percent of jobs in West Virginia will require a postsecondary credential.
- ▶ West Virginia is 51st in terms of states (including Washington D.C.) 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 West Virginia (ages 25-34) had an associate's degree or higher compared to 42 percent nationally.
- ▶ As of 2014, 27 percent of working age adults in West Virginia (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, 28 percent of working age West Virginia state residents (age 25-64) have an associate's degree or higher. However, attainment varies by race: 28 percent of Whites have an associate's degree or higher but the other most populous racial groups (Blacks) have attainment of only 22 percent.

Educational Pipeline in West Virginia

- ▶ In 2020, West Virginia's public high school graduates are projected to be 5 percent Black.
- ▶ The total number of high school graduates at public institutions in West Virginia are projected to decline by 3 percent between 2020 and 2028.
- ▶ Both the percent of graduates that are Black in West Virginia and the percent that are White is projected to remain constant in that time period.
- ▶ The flat growth in White graduates is above projections for the nation (4 percent decline in White graduates between 2020 and 2028), and the flat growth in Black graduates is slightly below national patterns (Blacks are projected to increase by 1 percent of national high school graduates by 2028).

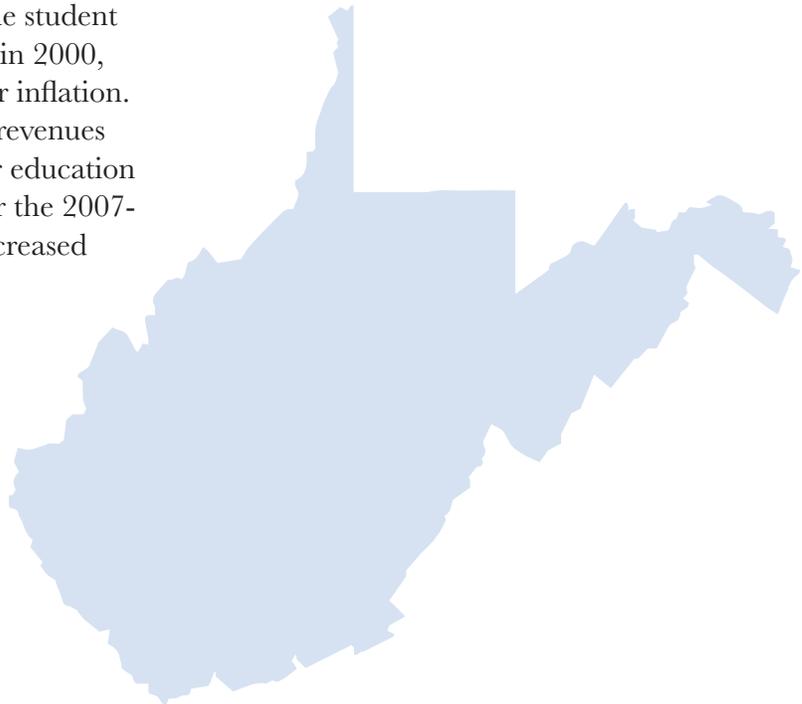
For information on how these measures were calculated or which institutions were included, please see the technical report, available at www2.gse.upenn.edu/irhe/affordability-diagnosis.

Children in Poverty

- ▶ The percent of children living in poverty in West Virginia decreased between 2005 and 2013, from 26 percent to 25 percent.
- ▶ In 2013 West Virginia was ranked 35th 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 West Virginia, total student share of state and net tuition revenues per full time student was 29 percent in 1989, 38 percent in 2000, and 60 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

- ▶ 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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