

FOUR CAMPUSES UNITED **ALL FOUR: COLORADO**

Student Debt and Financial Aid Presentation Preview

**Regent Finance Committee
October 25, 2017**



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Highlights

- 9.8% - Annual increase in institutional financial aid in FY 2017.
- 7.9% - Increase in Pell eligible population since 2012.
- *1 out of every 3* - Resident undergraduate students receiving financial aid, received a Pell grant in FY 2017.
- 3.7% - Student loan default rate is 8 percentage points lower than the national and Colorado averages.
- 20.6% - Increase in undergraduate degrees awarded to Pell students since 2012. (5.8% increase in total undergraduate degrees over the same timeframe)

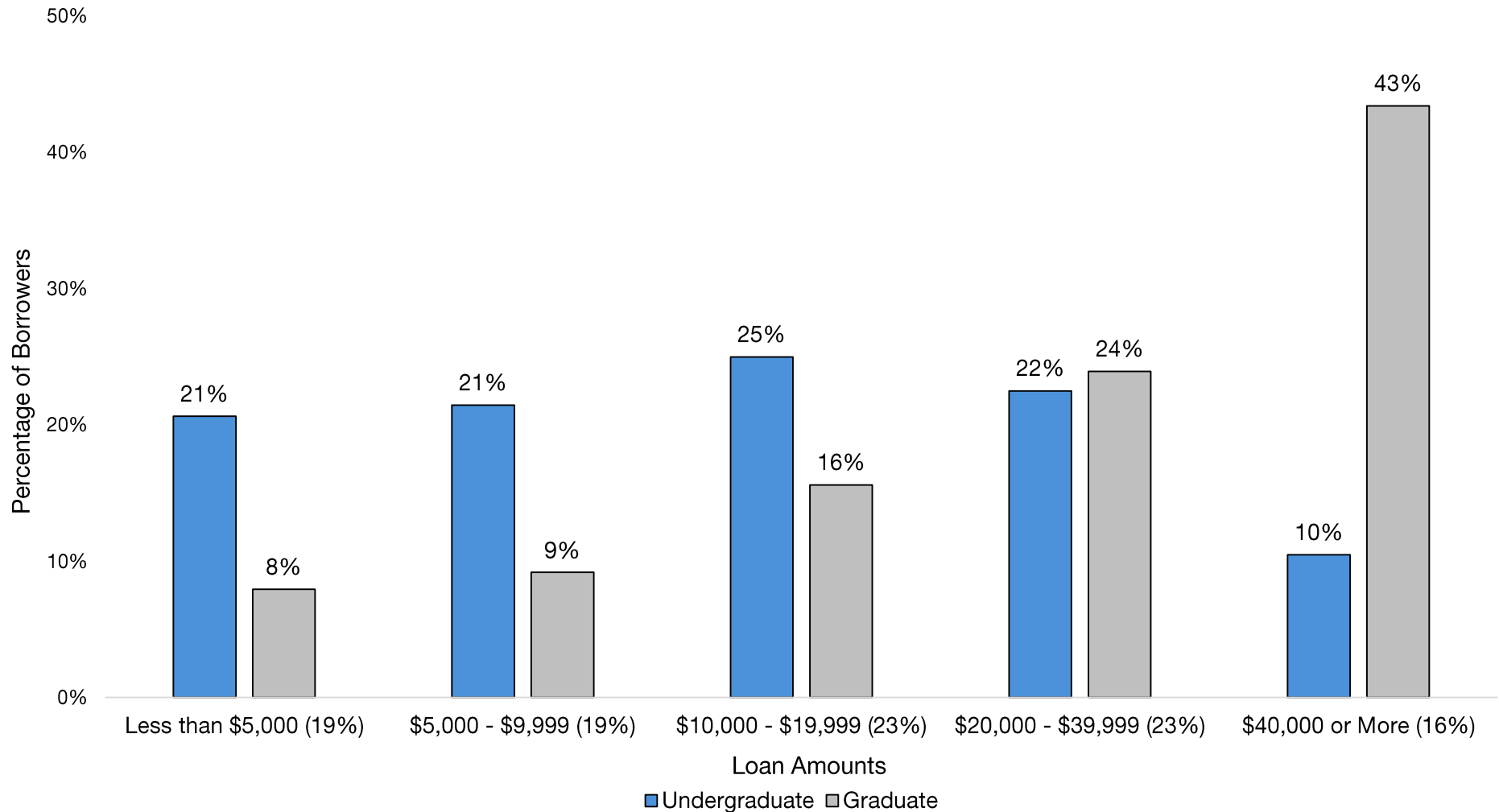


National Student Loan Debt Facts

- Total annual federal student loan borrowing has declined from its high point of \$87.3 billion in 2011 to \$73.2 billion in 2017.
- Total outstanding student loan debt in 2017 is \$1.4 trillion.
- More than half of borrowers are not in college and are repaying loans.
- 75 percent of bachelor's degree recipients pay loans back in ten years.
- 40 percent of the \$1.4 trillion is from those with graduate degrees.
- Two-thirds of loan defaults are on a balance of \$10,000 or less.
- 1 in 4 non-completers default on their student loans.
- 95 percent of loan balances are less than \$100,000.
- 90 percent of undergraduate loan balances are under \$40,000.



National Undergraduate vs. Graduate Debt Amounts, 2015



Sources: Council of Economic Advisers, Investing in Higher Education: Benefits, Challenges, and the State of Student Debt, July 2016.

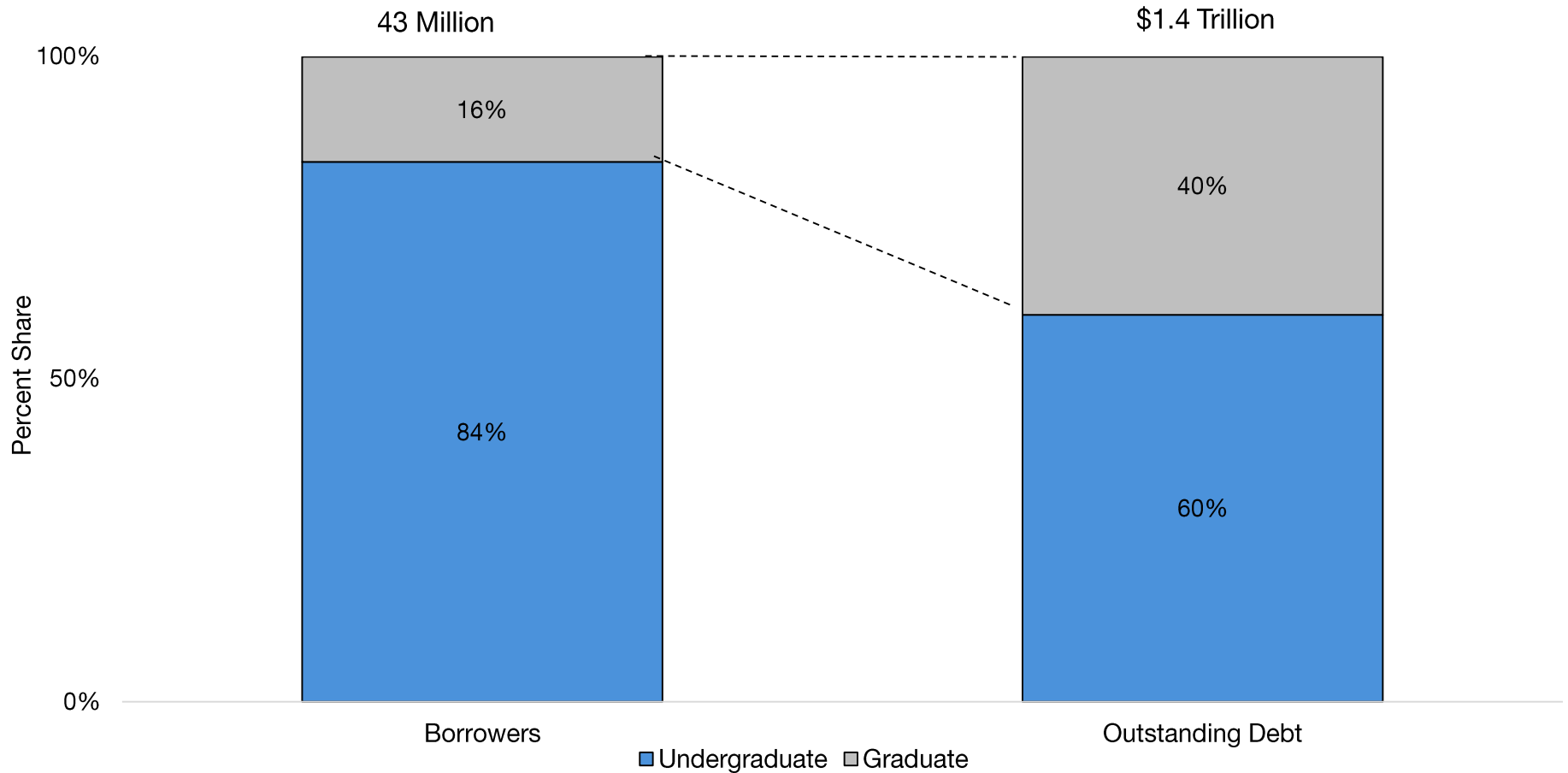


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How much debt is from undergraduates vs. graduate



Source: New America Education Policy Brief, March 2014, *Delisle, J.*, The Graduate Student Debt Review.

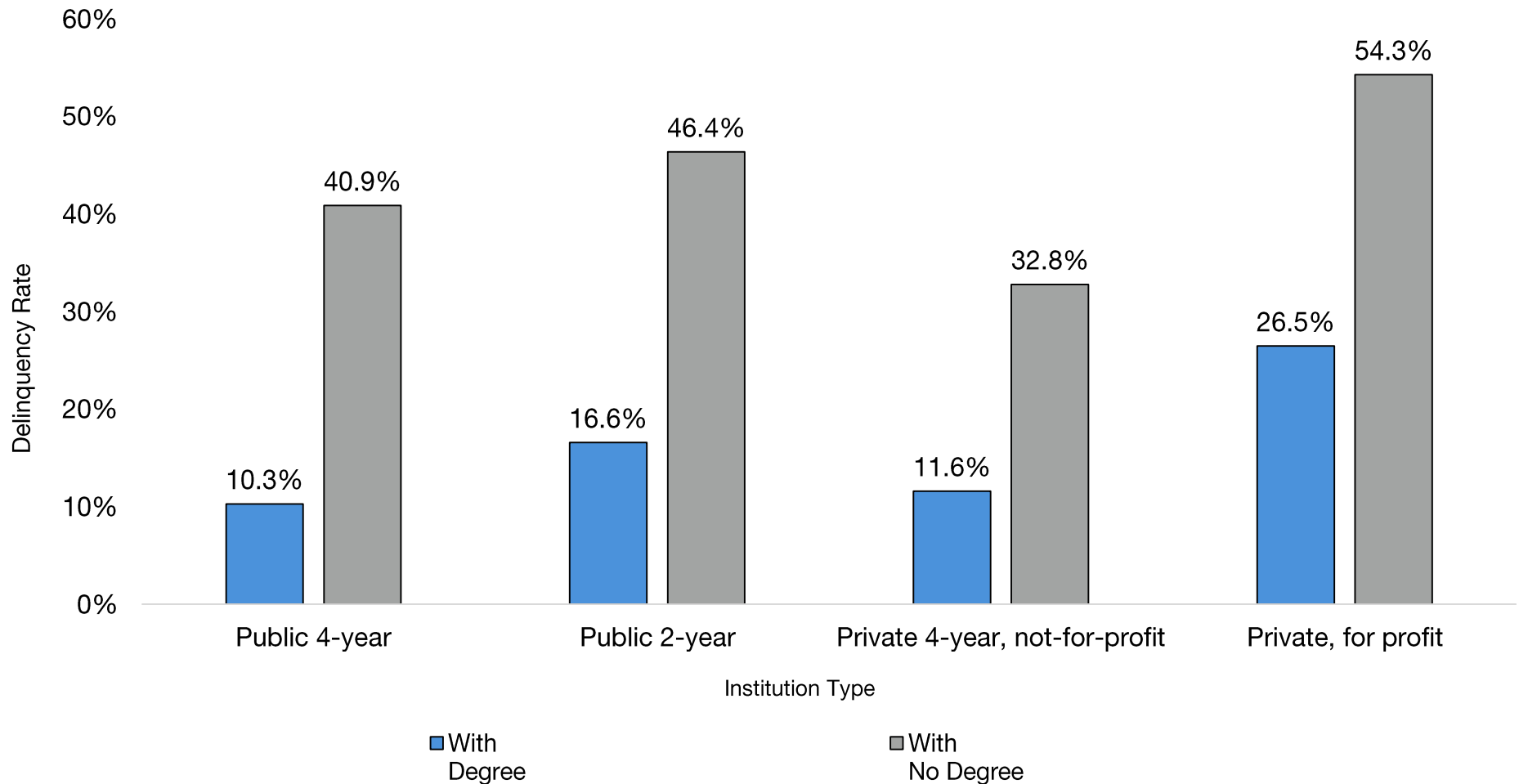


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Delinquency Rates of Completers vs. Non-Completers, 2015



Note: Delinquency means failed to make payment within 30 days up to nine months for federal loans, after nine months delinquency is considered default.
Source: Mezza, Alvaro and Kamila Sommer. "A Trillion Dollar Question: What Predicts Student Loan Delinquencies?", Board of Governors of the Federal Reserve System, FED Notes. October 16, 2015.

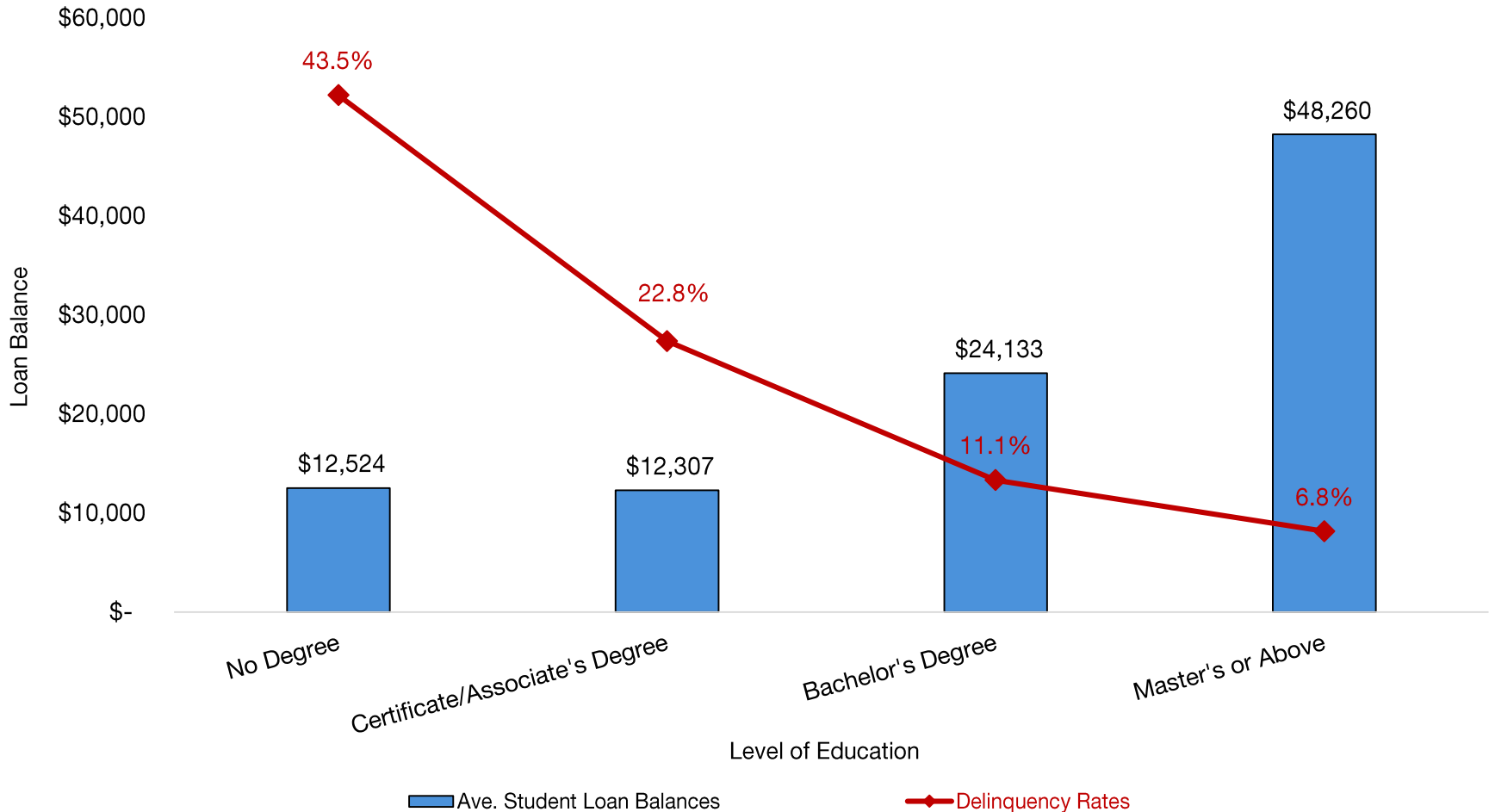


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Non-Completion = Higher Delinquency



Note: Delinquency means failed to make payment within 30 days up to nine months for federal loans, after nine months delinquency is considered default.
Source: Mezza, Alvaro and Kamila Sommer. "A Trillion Dollar Question: What Predicts Student Loan Delinquencies?", Board of Governors of the Federal Reserve System, FED Notes. October 16, 2015.

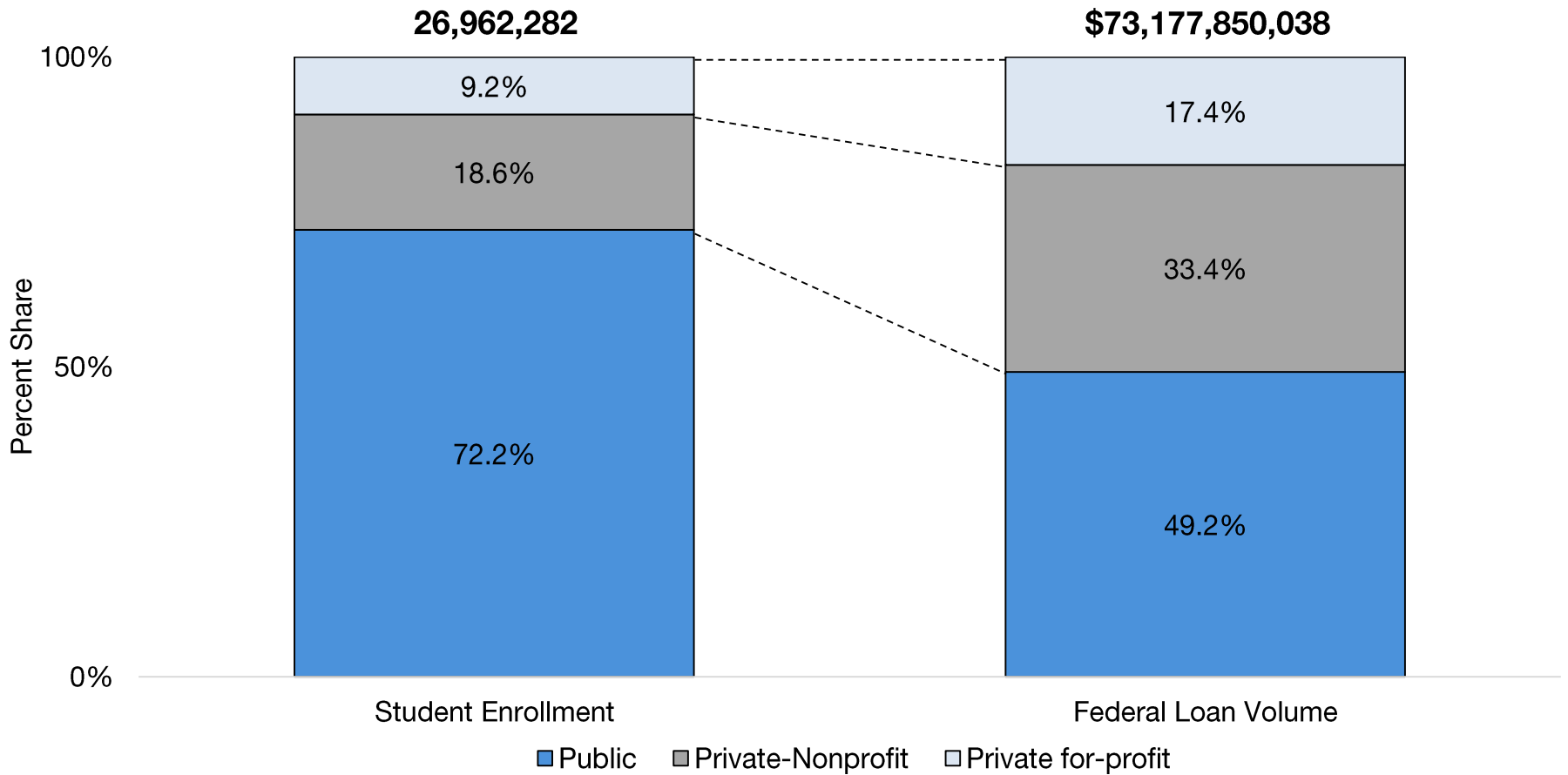


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Annual Headcount and Federal Loan Volume



Sources: IPEDS 12-month headcount enrollment FY 2015-16; Title IV Programs Volume Reports, AY 2015-16 (Q4);

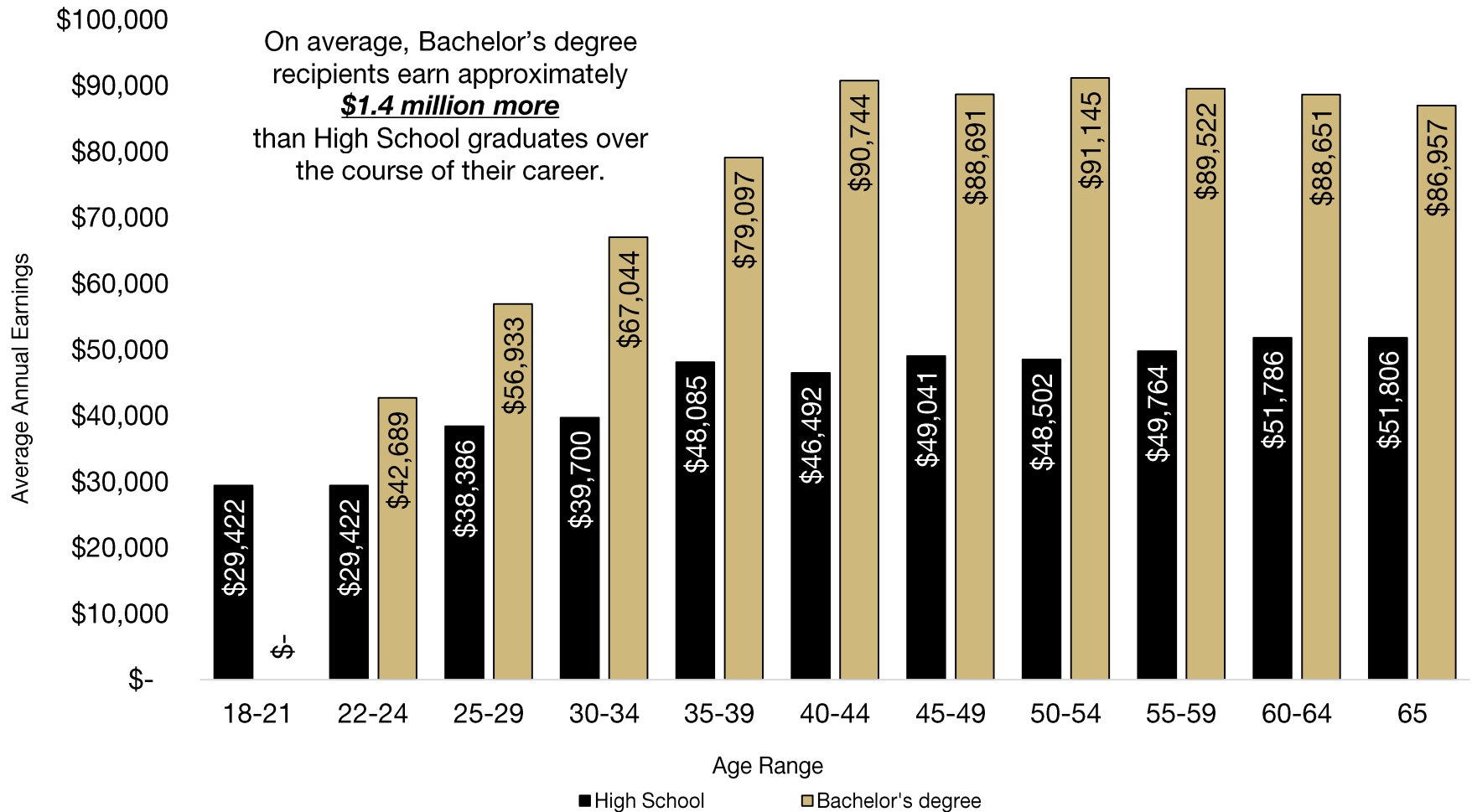


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Average Annual Earnings High School vs. Bachelor's Degree



Note: Does not include possible earnings while pursuing Bachelor's degree.

Source: Average Annual Earning for full-time year round workers by education, U.S. Census Bureau, Current Population Survey, 2017 Annual Social and Economic Supplement.