

FOUR CAMPUSES UNITED
ALL FOUR: COLORADO

Student Aid and Debt Presentation

November 16, 2017



University of Colorado

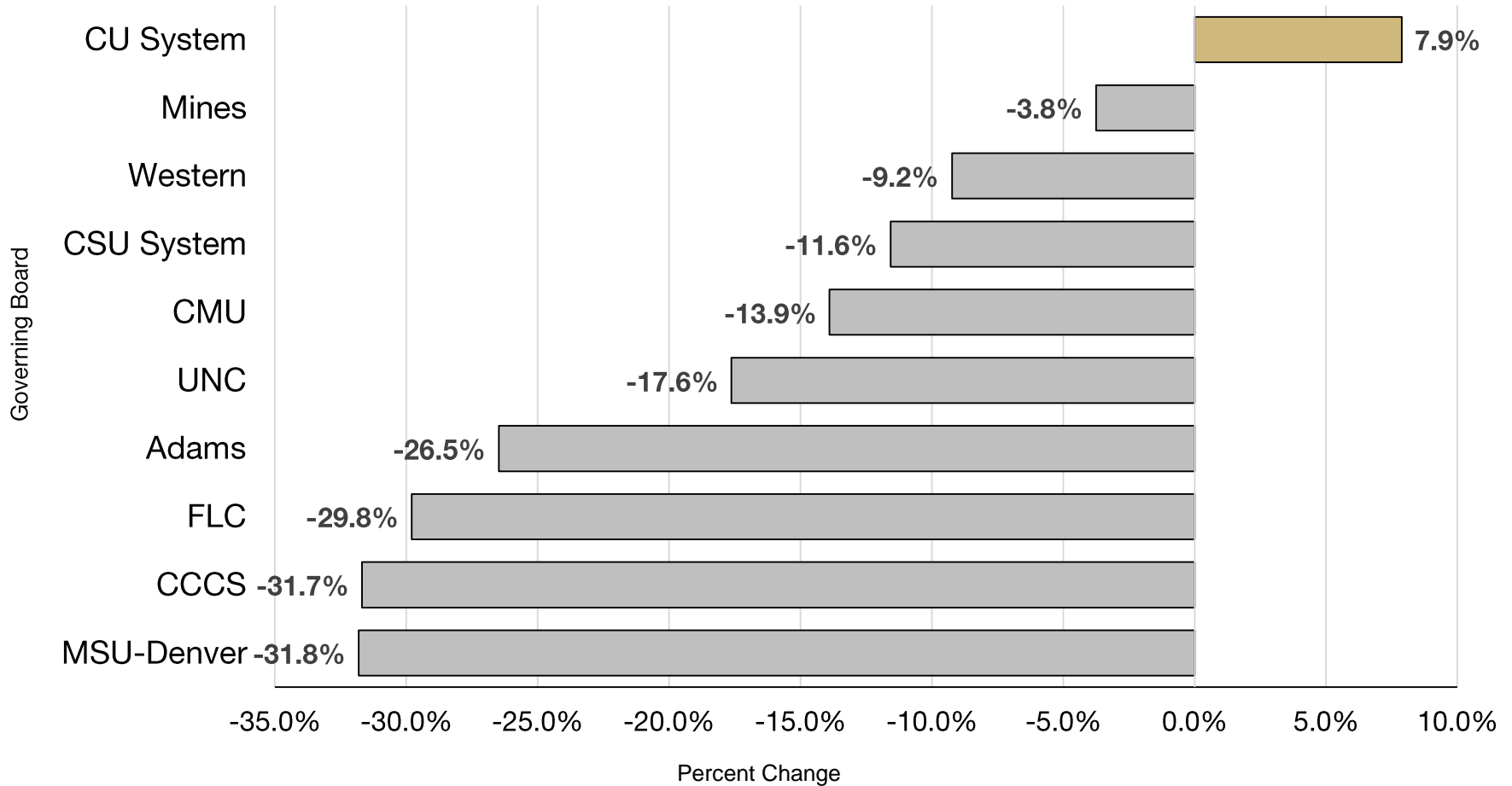
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Highlights

- 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.



Changes to Pell Eligible Populations



CCHE's need based financial aid formula rewards retention and progress of Pell eligible students. Since the allocation was implemented in FY 2012, CU has retained Pell eligible students at a greater rate than most colleges thru FY 2016.

CCHE Estimated Student Cost of Attendance Components

- Tuition & Fees
- On Campus Room & Board, or Housing and Food Monthly Allowance
- Books and Supplies Allowance
- Local Transportation Allowance: parking costs, bus pass etc.
- Personal Expense Allowance: laundry, clothing, recreation etc.
- Student Health Plan or Medical Insurance Allowance



CCHE Estimated Student Cost of Attendance (Not CU's Cost of Education)

FY 2016-17 Department of Higher Education Estimated Cost of Attendance, Resident Undergraduate Full-Time, Living on Campus			
	CU Boulder	UCCS	CU Denver
Tuition & Fees	\$11,531	\$9,863	\$10,741
Room & Board	\$13,590	\$9,800	\$9,693
Books & Supplies Allowance	\$1,800	\$1,800	\$1,800
Local Transportation Allowance <1>	\$1,404	\$1,404	\$1,404
Personal Expense Allowance	\$1,359	\$1,359	\$1,359
Medical Expense Allowance <2>	\$2,430	\$2,430	\$2,430
Total	\$32,114	\$26,656	\$27,427
Dollar Change from Prior Year	\$359	\$258	(\$35)

<1> Campuses may account for a portion of a student's transportation costs through fees.

<2> Students may have health insurance coverage through parents.

FY 2016-17 CU Estimated Average Cost of Attendance			
	CU Boulder	UCCS	CU Denver
Total	\$28,425	\$26,003	\$23,878
Dollar Change from Prior Year	\$628	\$920	\$935

Source: Student Unit Record Database System (SURDS)

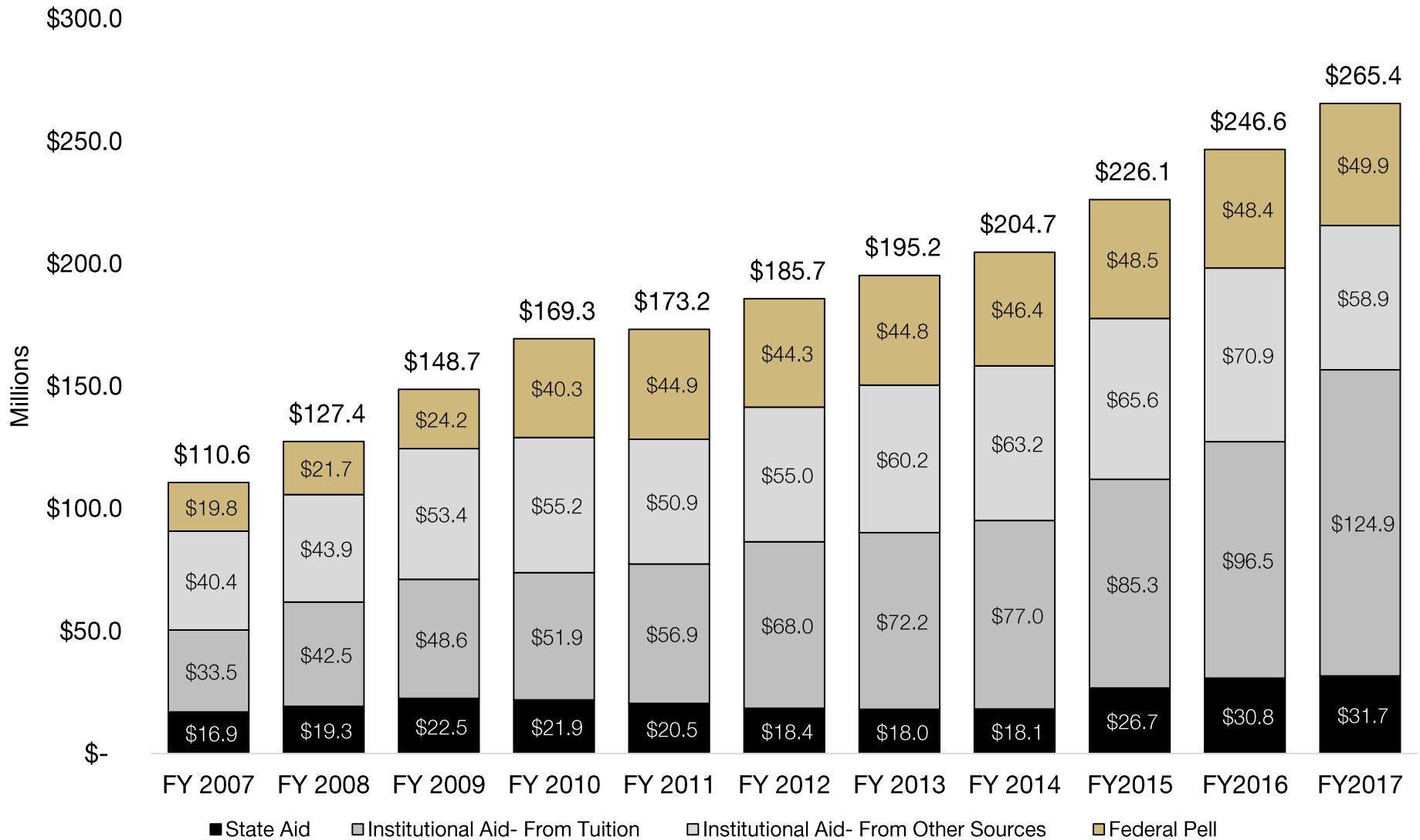


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Financial Aid History by Source



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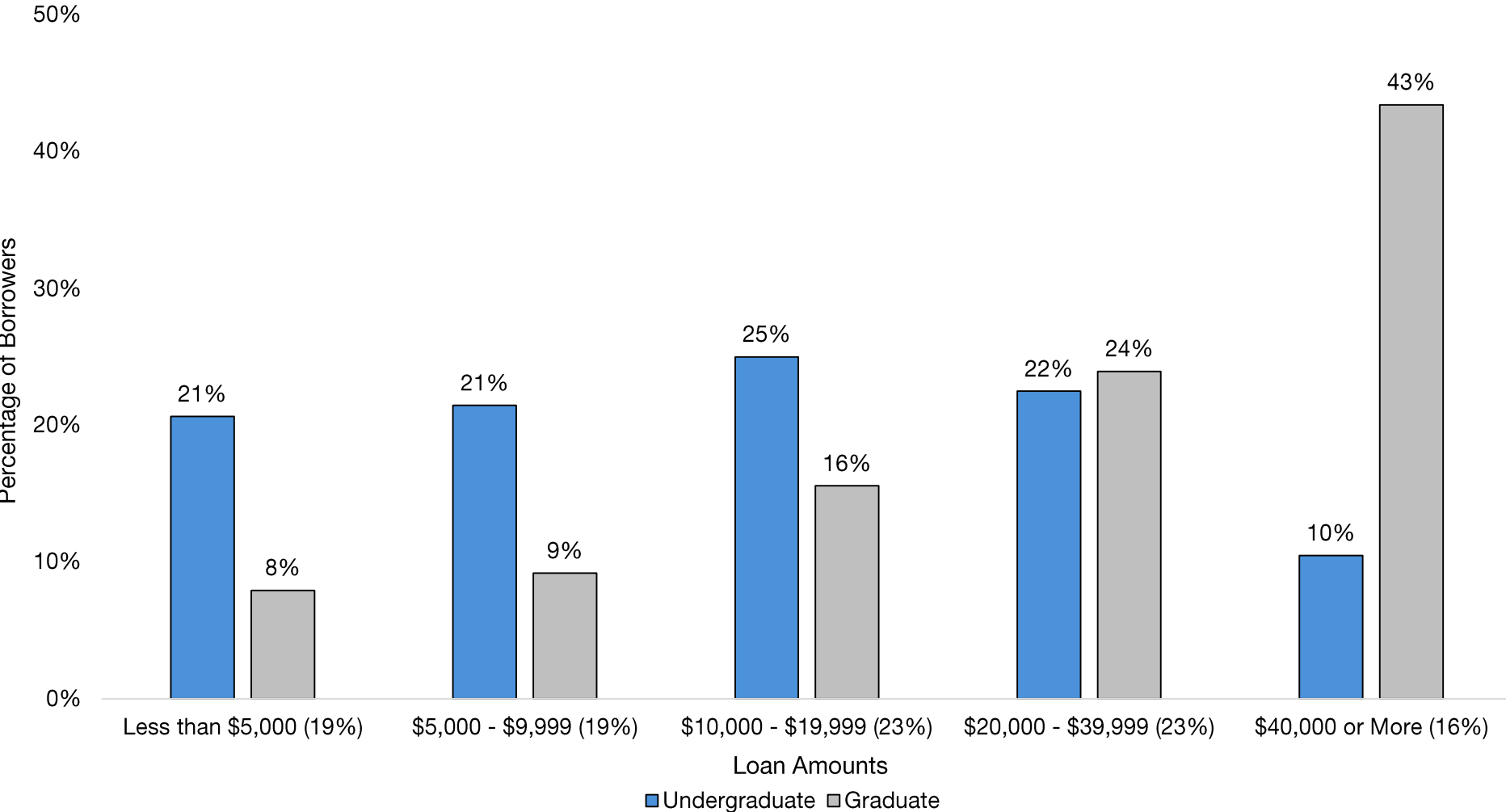
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Facts About National Student Loan Debt, \$1.4 Trillion

- Total annual federal student loan borrowing has declined from its high point of \$87.3 billion in 2011 to \$73.2 billion in 2017.
- 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.
- 1 in 4 non-completers default on their student loans.
- 90 percent of undergraduate loan balances are under \$40,000.

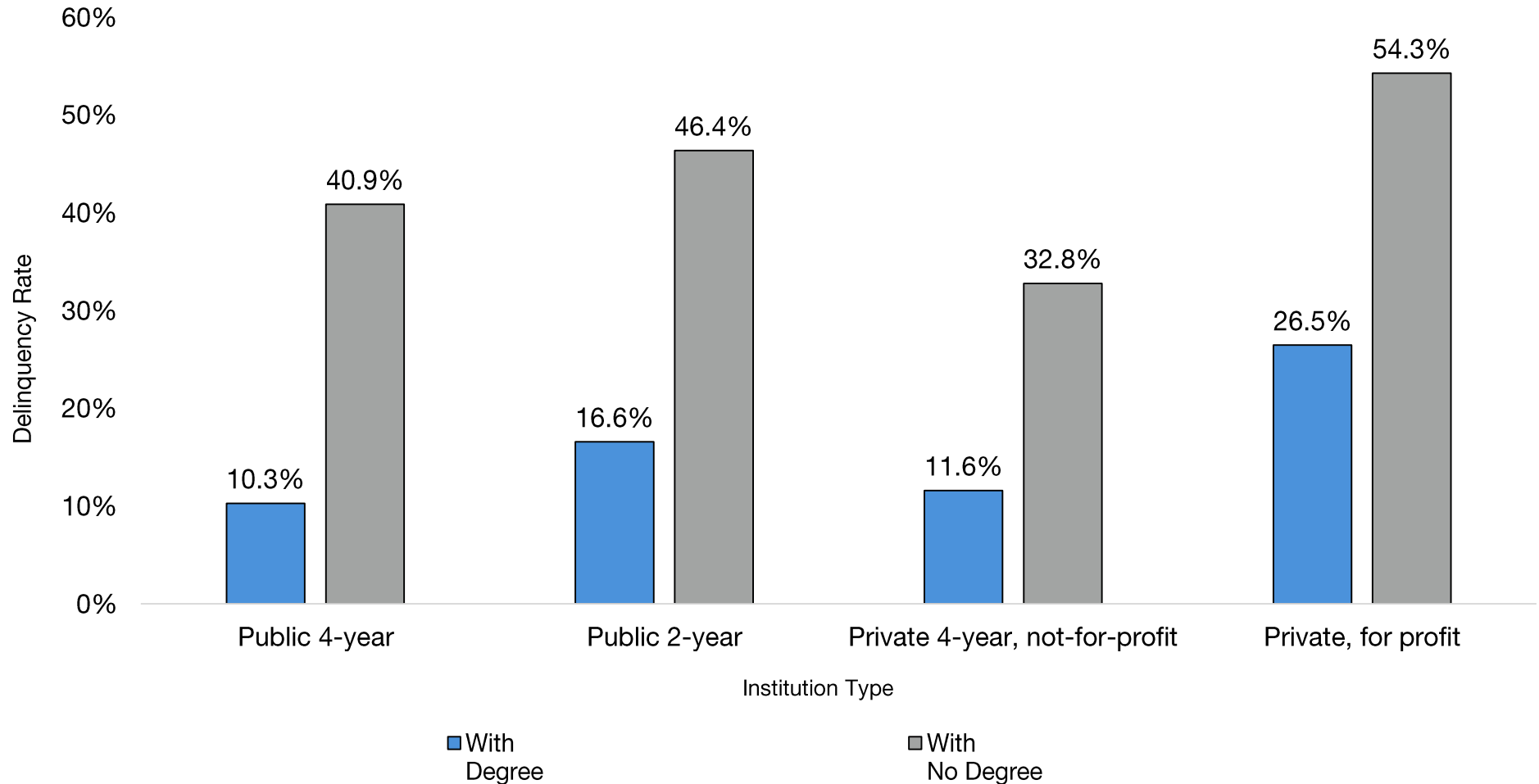


National Undergraduate vs. Graduate Debt Amounts, 2015



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

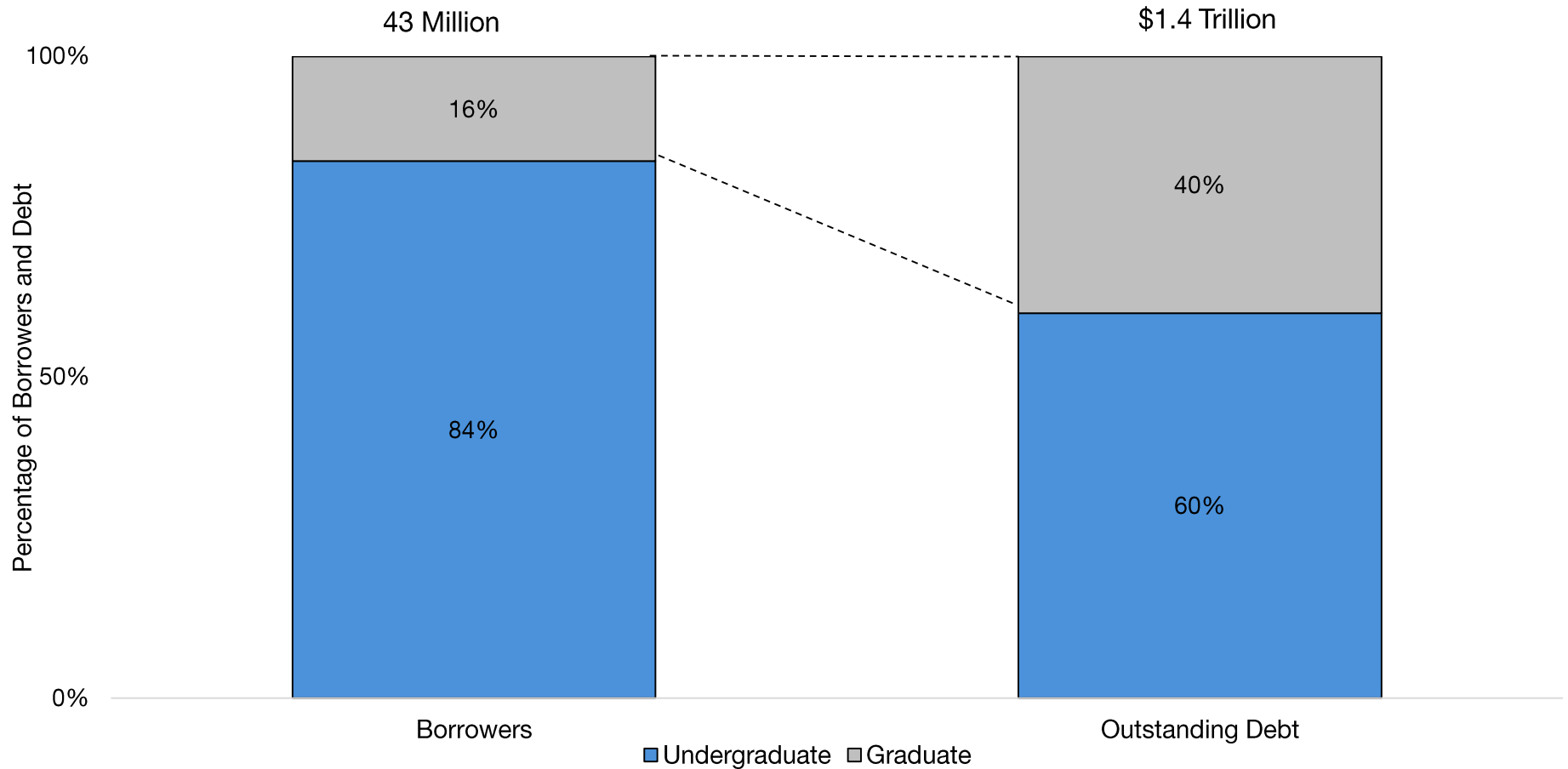
Delinquency Rates of Completers vs. Non-Completers, 2015



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.



How much debt is from undergraduates vs. graduate



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

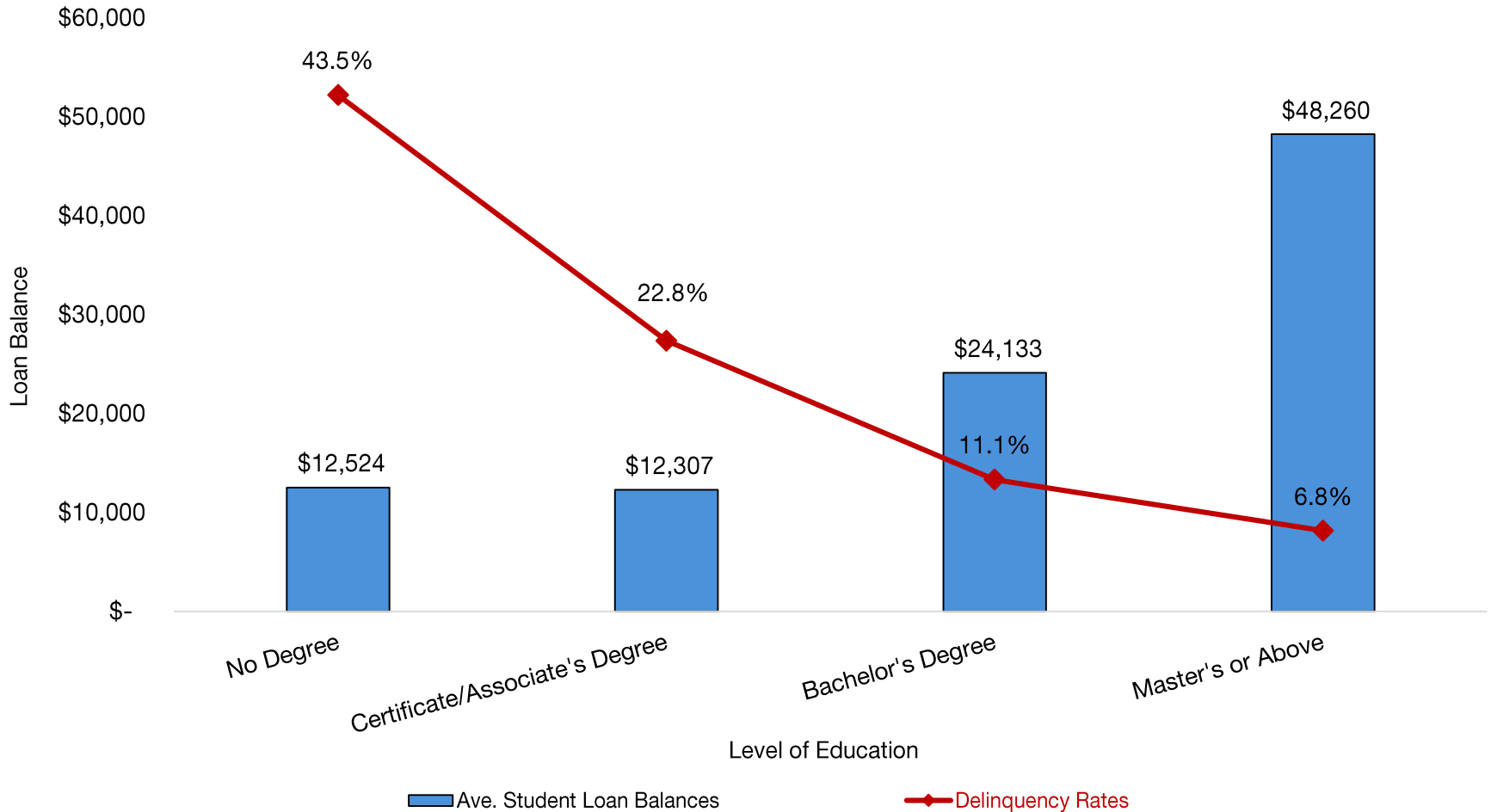


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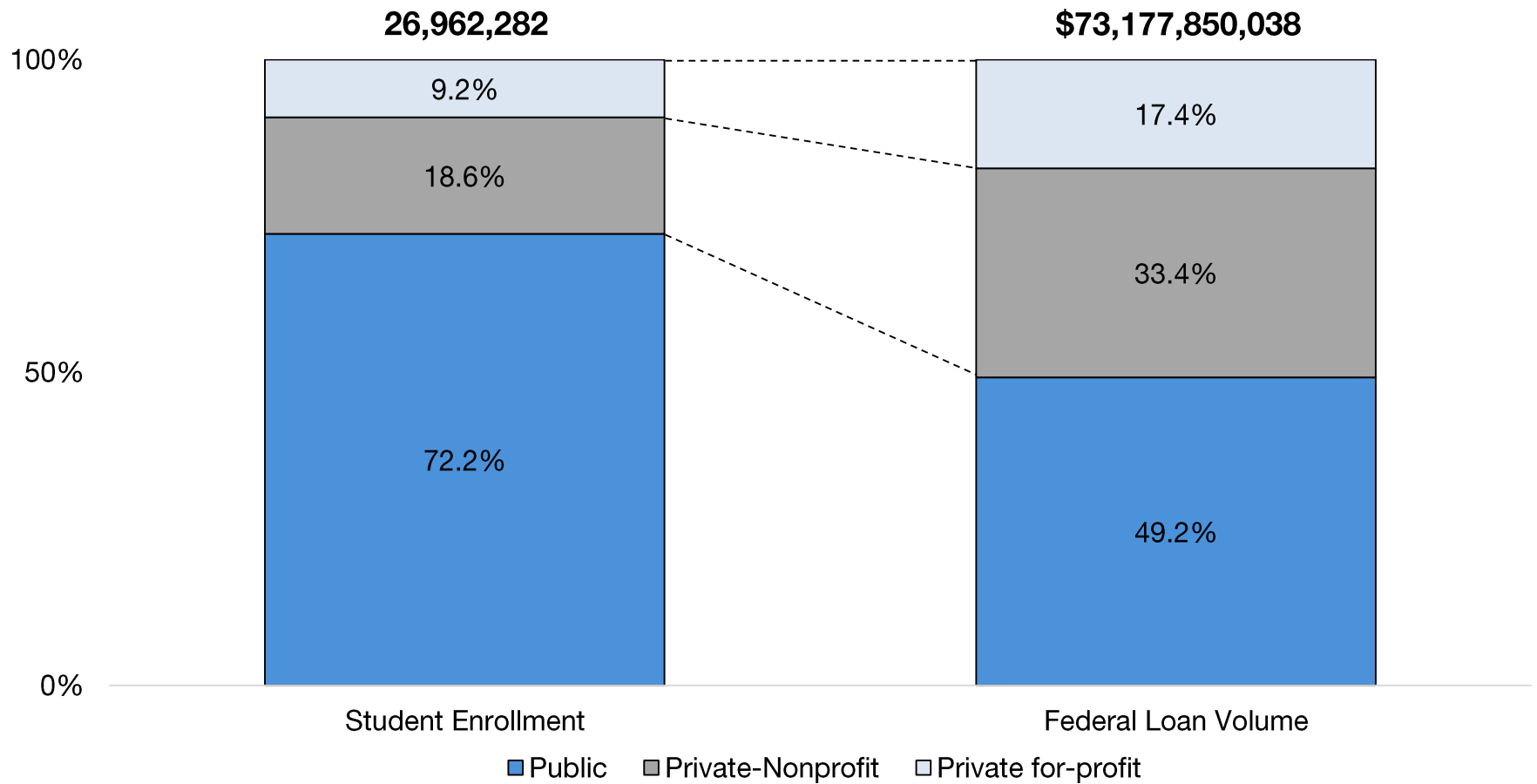
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Non-Completion = Higher Delinquency



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.

Annual Headcount and Federal Loan Volume



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

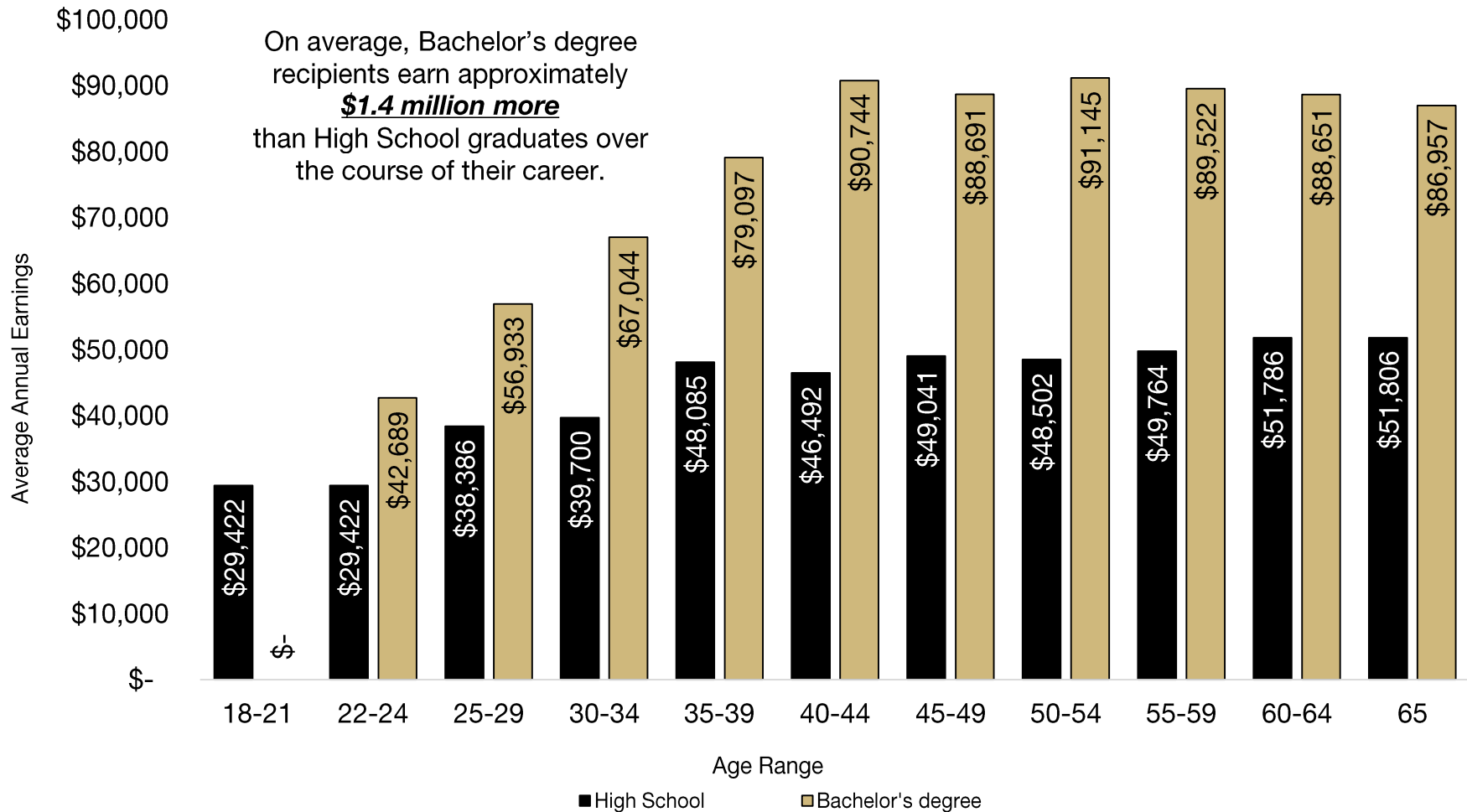


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Average Annual Earnings High School vs. Bachelor's Degree



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.

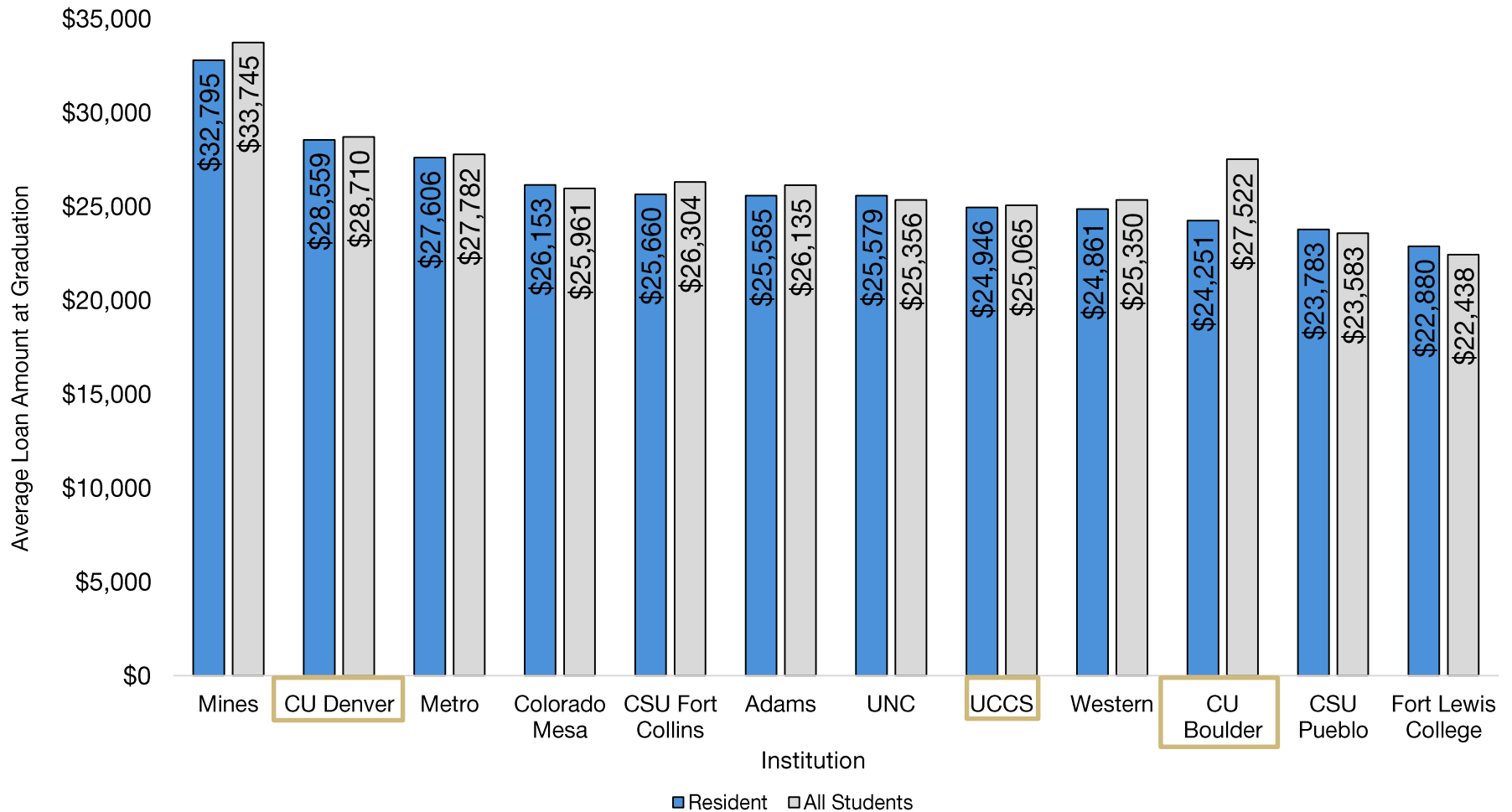
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Average Undergraduate Debt Load Upon Graduation (FY 2016)



Source: Colorado Department of Higher Education; includes Federal Perkins, Federal Other, Federal Direct and private loans. CU Anschutz Medical Campus undergraduate nursing students not included here.

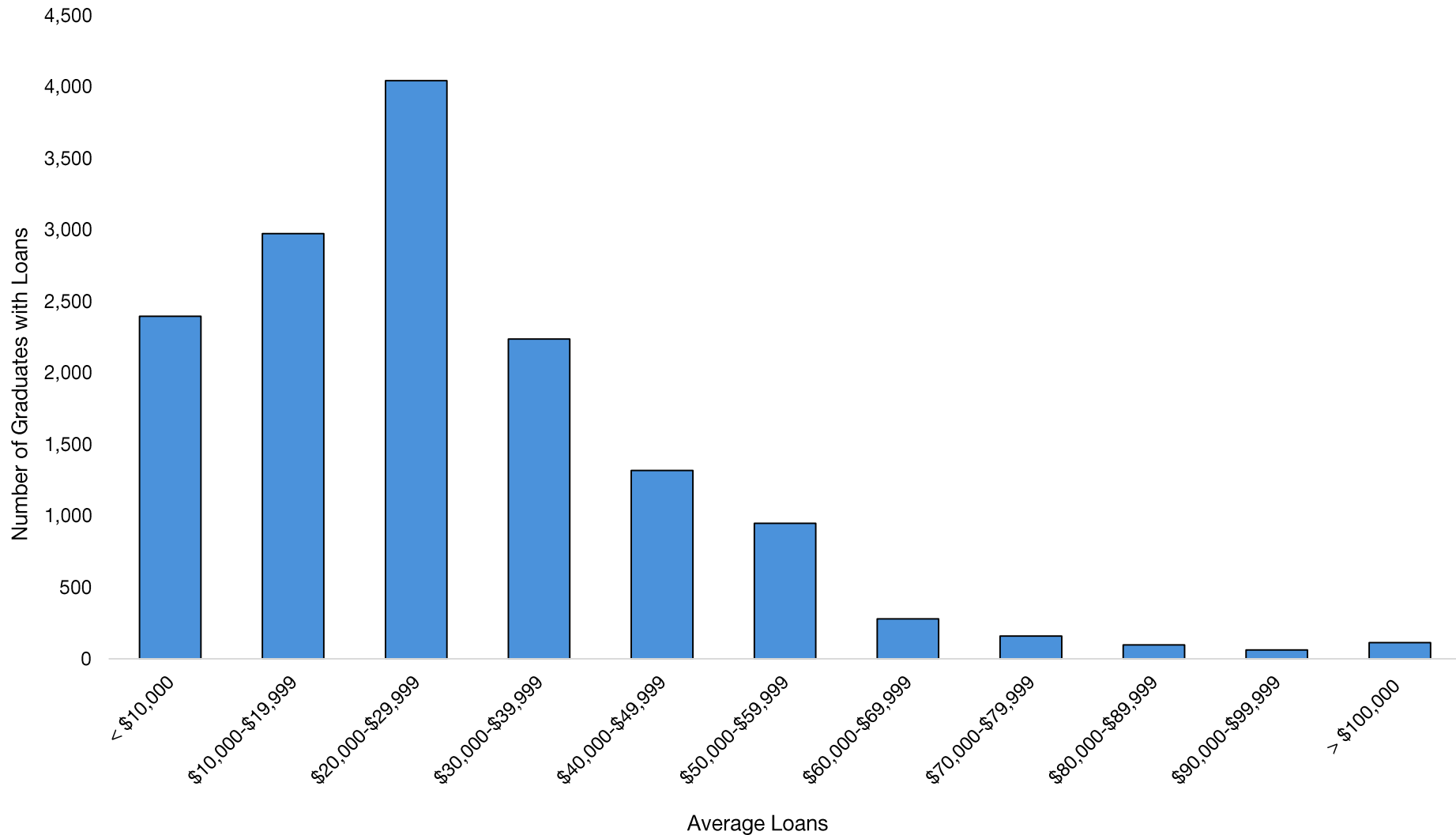


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Bachelor's Degree Recipients Loan Amounts in Colorado, 2016



Source: 2016 Student Loan Data from SURDS from the Colorado Department of Higher Education, public institutions.

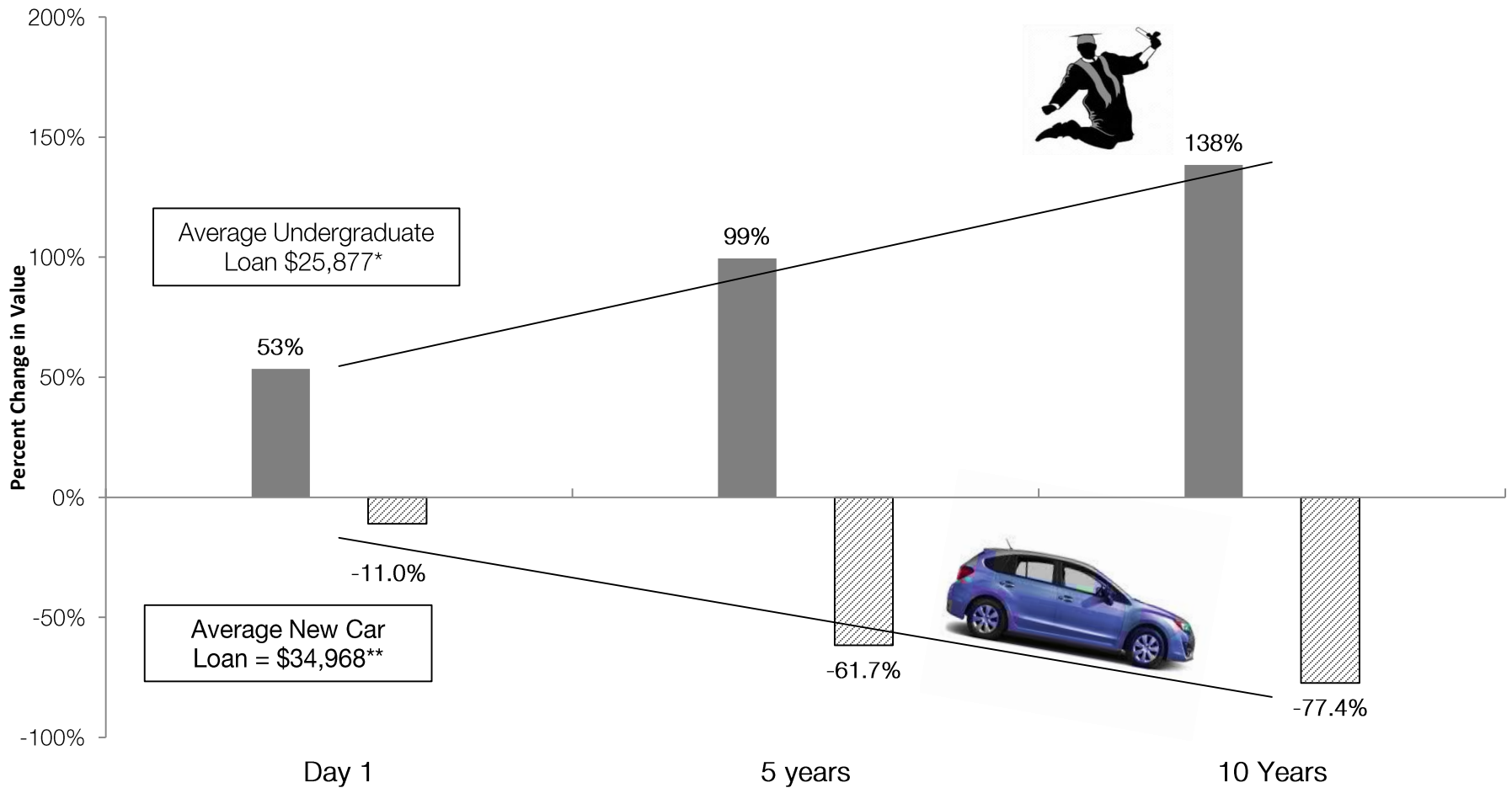


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College Loan vs. Car Loan: Value of Purchase Over Time



*Colorado Department of Higher Education 2015-16 Financial Aid Report

**Kelley Blue Book Average Transaction Prices 2017



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Annual Earnings vs Annual Loan Payment (by degree)

Engineering

Annual Earnings \$74,184 Annual Loan Payment \$3,659



Business

Annual Earnings \$73,653 Annual Loan Payment \$3,430



Psychology

Annual Earnings \$48,150 Annual Loan Payment \$3,328



English

Annual Earnings \$45,324 Annual Loan Payment \$3,045



Sources: Average Annual Earnings based on CU System Alumni Survey FY 2006 - FY 2015
Annual Loan Payment based on average loan from CDHE SURDS (2016) & standard 10 year repayment at 4.14%

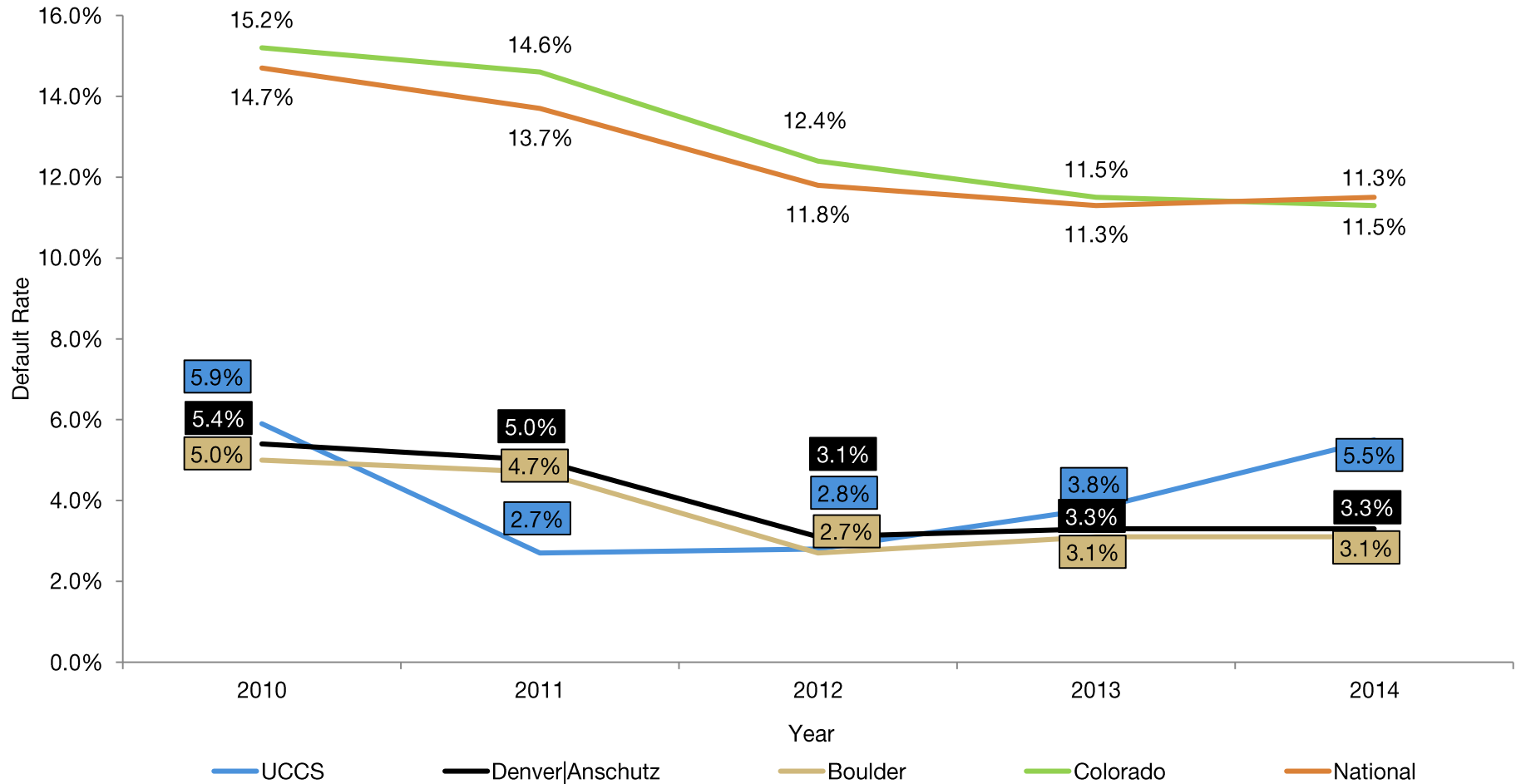


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Student Loan Default Rates

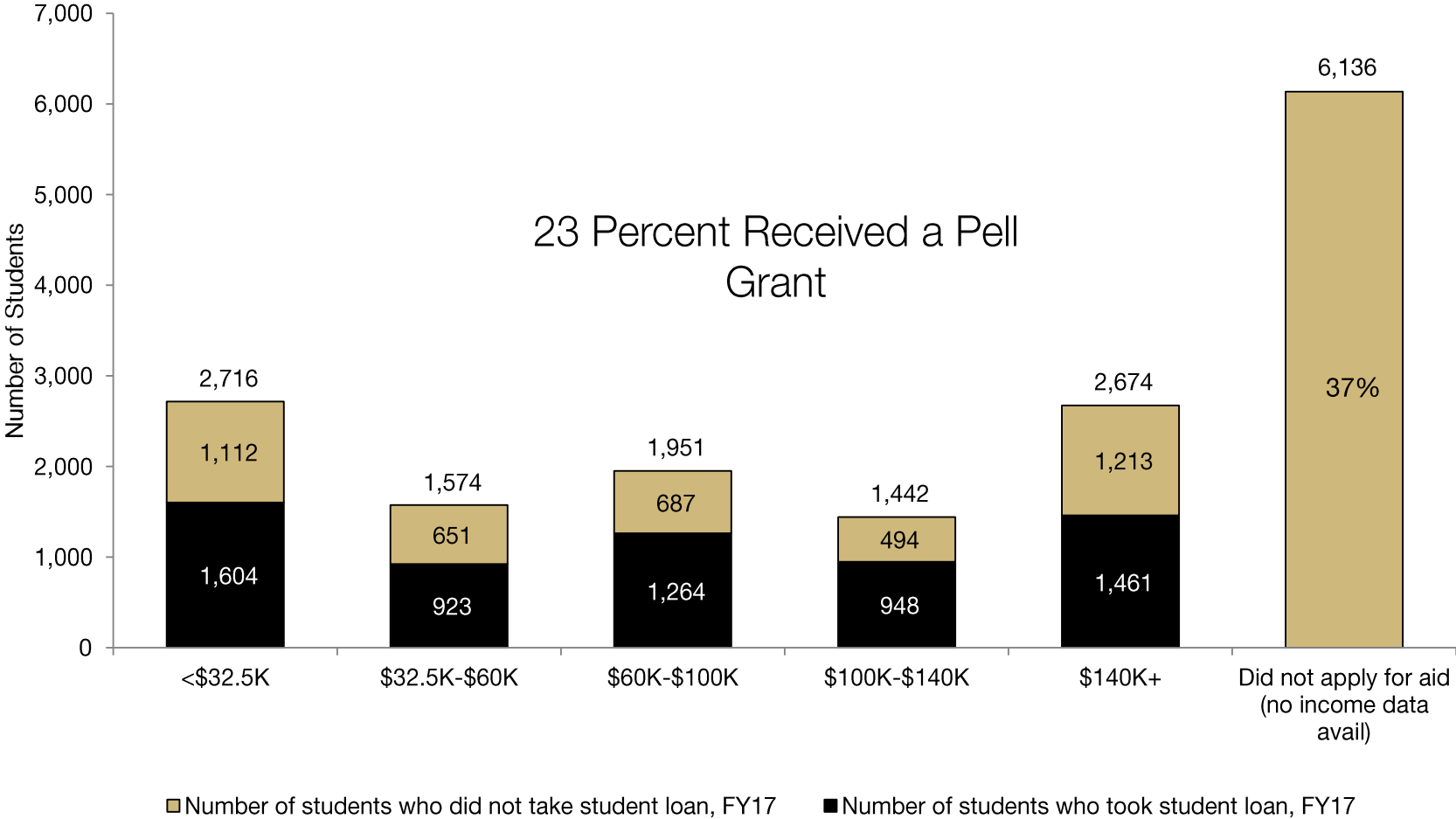


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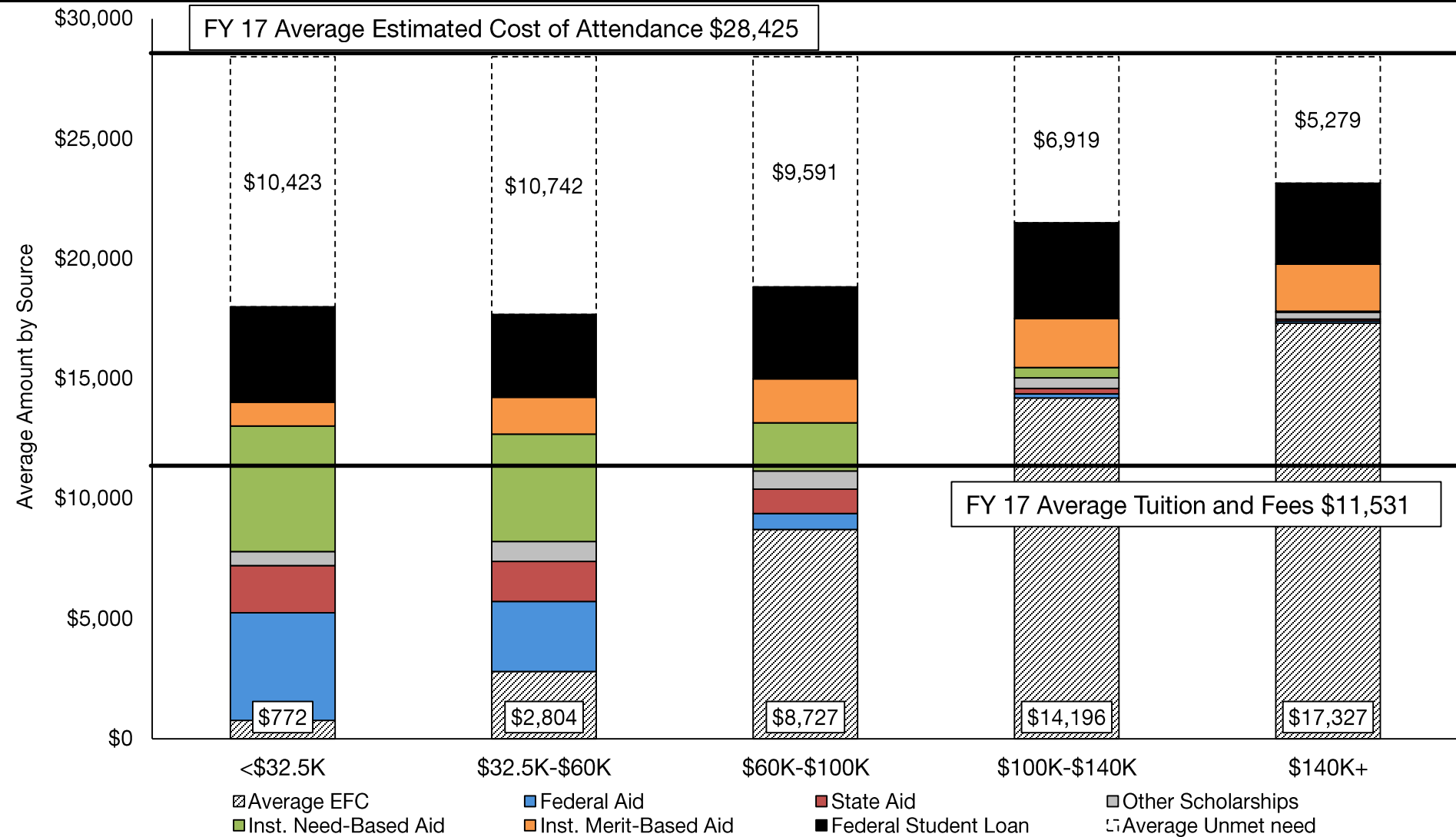
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CU Boulder Resident Undergraduate Financial Aid Applicants, 2017



Does not include parent or private loans.

CU Boulder Resident Undergraduate Average Financial Assistance, 2017

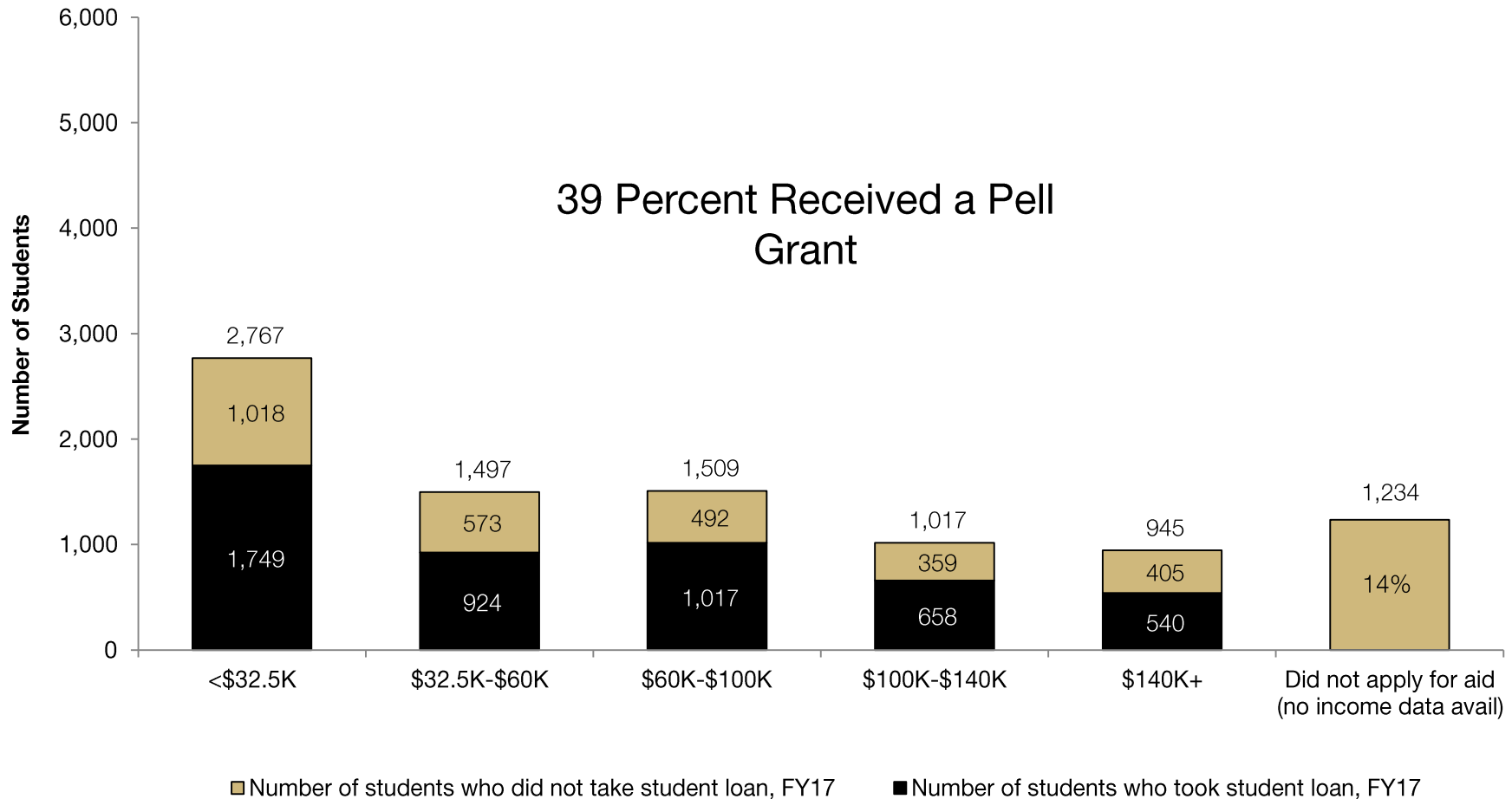


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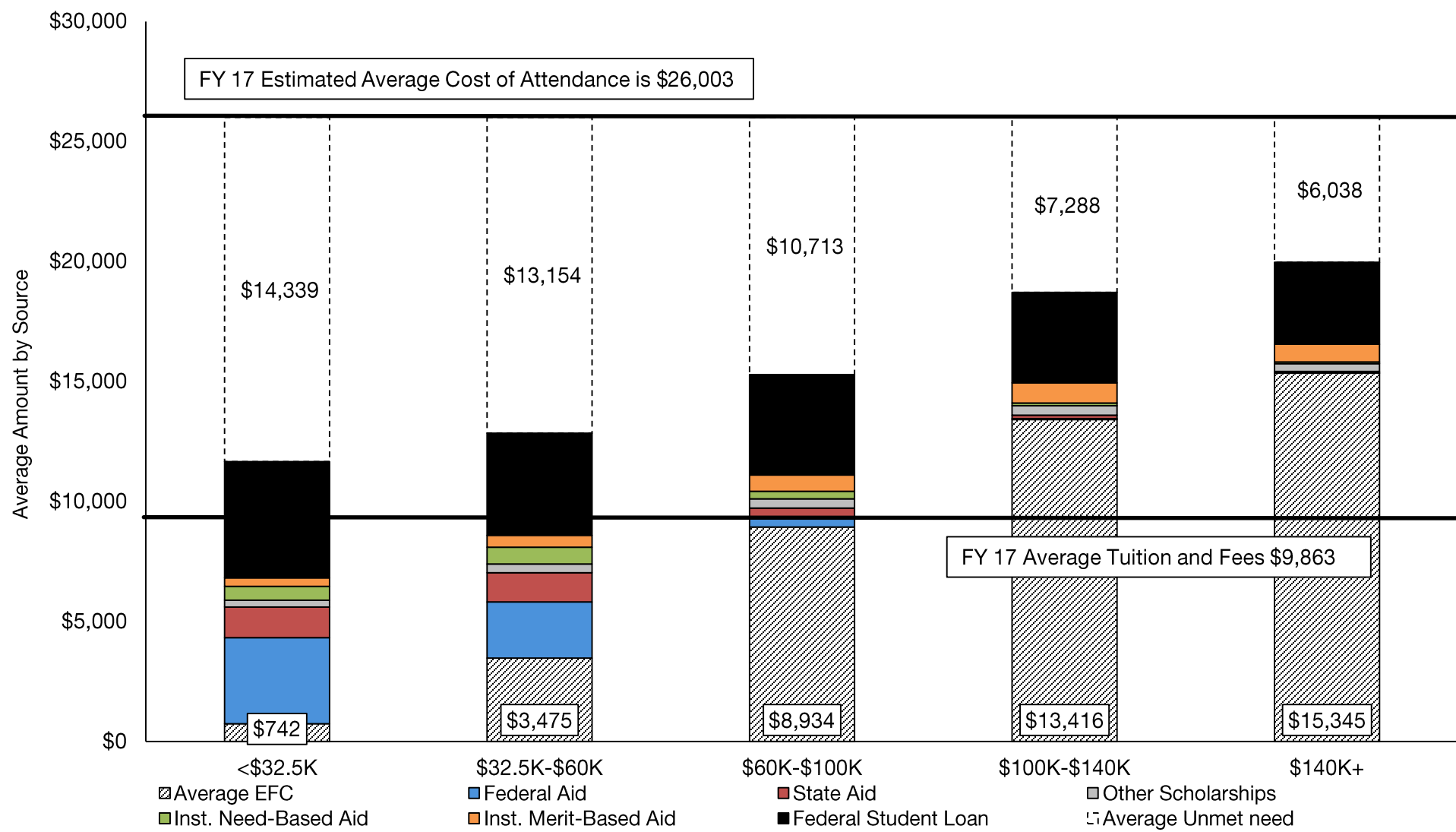
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UCCS Resident Undergraduate Financial Aid Applicants, 2017



Does not include parent or private loans.

UCCS Resident Undergraduate Financial Assistance, 2017

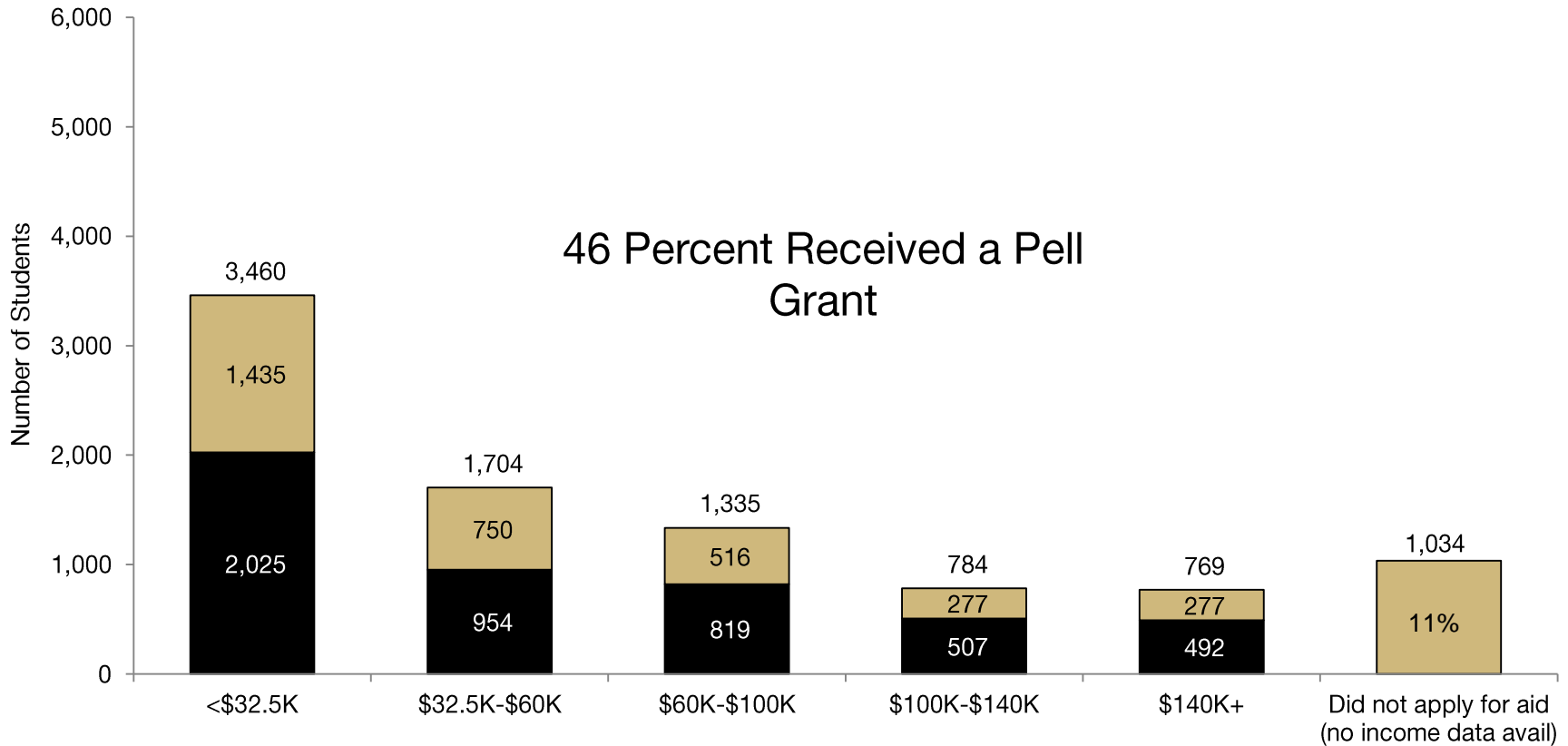


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CU Denver Resident Undergraduate Financial Aid Applicants, 2017



Number of students who did not take student loan, FY17

 Number of students who took student loan, FY17

Does not include parent or private loans.

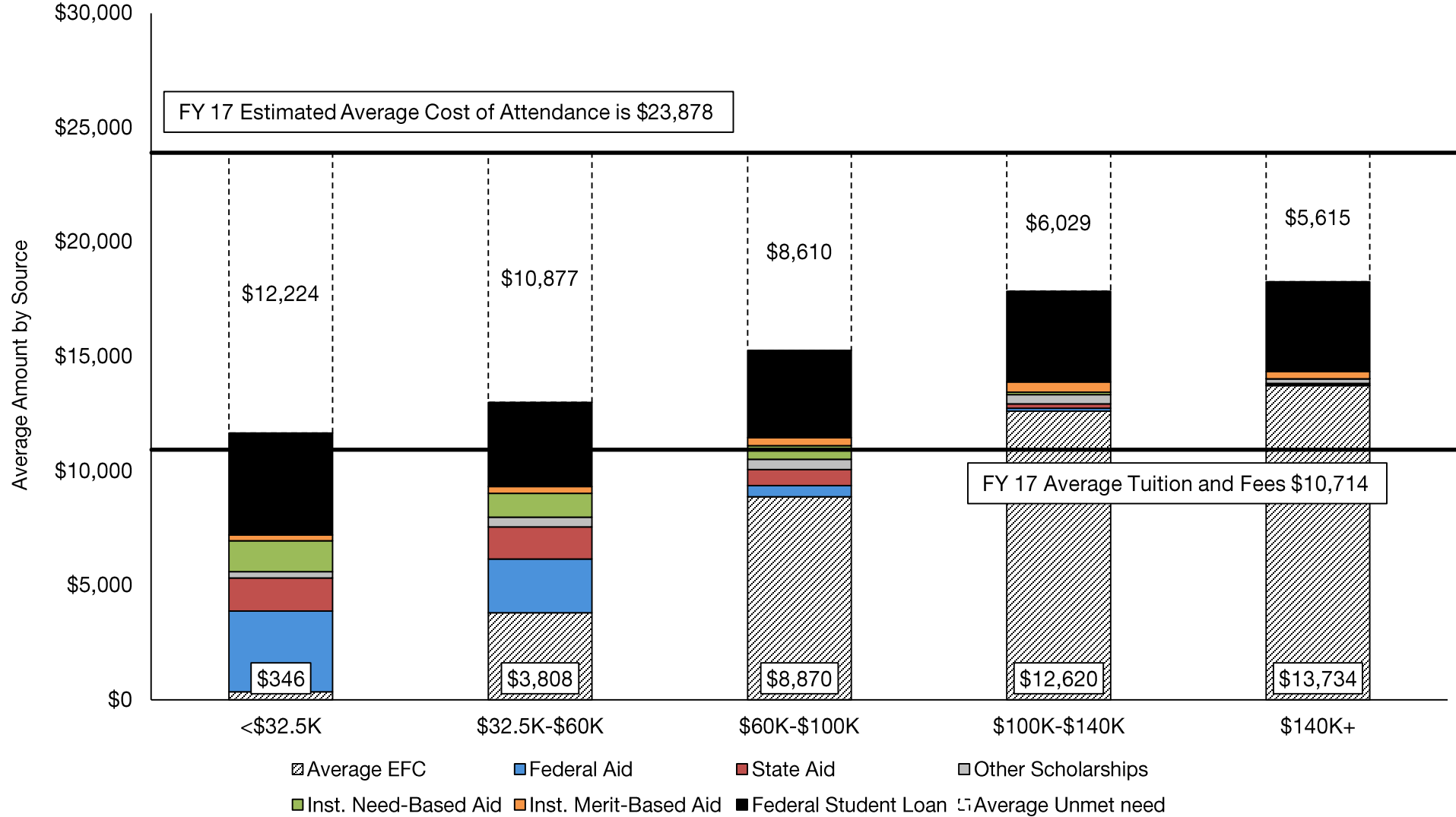


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CU Denver Resident Undergraduate Average Financial Assistance, 2017



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Closing the Cost Gap

Ways to Reduce Cost

- Apply for scholarships
- Reducing time to degree

Average time to degree for resident students who took out student loans:

4.3 years at CU Boulder

4.9 years at UCCS

5.4 years at CU Denver

- College credit earned in high school or competency testing
- Meet with advisors to track degree progress
- Live with family or with multiple roommates
- Use alternative transportation
- Cut back on personal expenses
- Remain on parents' insurance plan



Closing the Cost Gap

Other Means

- Part-time work
- College savings plans
- Parent/Private loans
- Credit cards



Conclusions

- Out-of-pocket tuition and fee increases were mitigated for many low and middle income students.
- Some resident undergraduates did not apply for federal aid in 2017:
CU Boulder 37% UCCS 14% CU Denver 11%
- Of those who applied for aid in FY 2017, 39% did not take a loan.
CU Boulder 40% UCCS 37% CU Denver 40%
- On average, CU students have a loan default rate of 3.7%, which is approximately 8 percentage points lower than the national and statewide average.

