



Arkansas

College Affordability Profile

September 2016

To support the work of the SREB's member states and its Commission on College Affordability, SREB commissioned the Higher Education Policy Institute to prepare a college affordability profile for each SREB state, as well as a synthesis of relevant trends in the SREB region. These profiles detail college affordability data and trends specific to the state to assist policymakers in assessing the dimensions of the affordability issue and the need for state policy initiatives or interventions.

In addition to this state profile, other affordability resources from SREB include:

- *Shared Responsibility for College Affordability*, the Commission's final report and executive summary
- *College Affordability: Trends in the SREB Region*
- *College Affordability: SREB Technical Report*
- *College Affordability Policy and Practice Review: A Statewide Framework*
- *College Affordability: Promising State Policies and Practices*
- *SREB Fact Book on Higher Education*

Each of these documents is available at SREB.org/Affordability.

Arkansas College Affordability Profile

What Percentage of Family Income Is Required to Attend College Full Time?

Families in Arkansas would need to pay 17.7 percent of their income to cover educational expenses for a student at a public two-year institution in the state. This is higher than the SREB average and lower than the national average.

Families in Arkansas would need to pay 23.4 percent of their income to cover educational expenses for a student at a public four-year, non-research institution in Arkansas. This is lower than the SREB average and lower than the national average.

	Arkansas, 2008	Arkansas, 2013	SREB Average, 2013	U.S. Average, 2013
Public Four-Year Category 1	28.9%	29.7%	29.0%	29.9%
Public Four-Year Category 2	21.8%	23.4%	27.3%	27.4%
Public Two-Year	19.8%	17.7%	17.2%	18.6%
Public Technical	N/A	N/A	N/A	N/A

How Much Is Spent Per Student on Financial Aid?

In Arkansas, need-based aid per student is \$79. This is lower than the SREB average and lower than the national average. Aid based on criteria other than need is \$1,112 per student. This is higher than the SREB average and higher than the national average.

	Arkansas, 2004	Arkansas, 2007	Arkansas, 2013	SREB Average, 2013	U.S. Average, 2013
Need Only	\$21	\$36	\$79	\$338	\$474
Other	\$222	\$226	\$1,112	\$480	\$210

For Families Making Less Than \$30,000, What Percentage of Income Is Required for Tuition at Lowest-Price Colleges?

Twenty-nine percent of families in Arkansas make less than \$30,000. For a student in these families, tuition at the lowest-priced public colleges would require 13 percent of income. This is lower than the SREB average and lower than the national average.

	2008	2013
Percentage of Families	31%	29%
Tuition	\$1,811	\$2,268
Income	\$17,756	\$17,422
Percentage of Income	10%	13%
SREB Average	11%	16%
National Average	14%	18%

How Much Do Graduates Borrow?

Graduates from public four-year research universities in Arkansas have borrowed, on average, \$19,550. This is lower than the SREB average and lower than the national average.

	Arkansas, 2008	Arkansas, 2013	SREB Average, 2013	U.S. Average, 2013
Public Four-Year Category 1	\$18,342	\$19,550	\$22,959	\$20,980
Public Four-Year Category 2	\$17,195	\$13,477	\$11,082	\$10,906
Public Two-Year	\$11,378	N/A	N/A	N/A
Public Technical	\$21,923	N/A	N/A	N/A

A Closer Look at Family Ability to Pay

SREB's Commission on College Affordability defined *affordability* as the relationship of the price required to attend higher education — or the net price — relative to family income.

Net price = tuition and required fees plus room and board, minus grant aid students receive from the federal or state government or the institution.

Net Price as a Percentage of Income, Public Four-Year Category 1 Institutions, 2013

Annual Income	Average in This Income Level	Percentage of Families in This Income Level	Net Price	Percentage of Income Needed
\$0 - \$30,000	\$17,422	29%	\$11,220	64%
\$30,000 - \$48,000	\$38,869	20%	\$12,020	31%
\$48,000 - \$75,000	\$60,330	22%	\$15,170	25%
\$75,000 - \$110,000	\$91,021	16%	\$16,887	19%
\$110,000 and above	\$178,275	13%	\$16,613	9%

At public four-year category 1 institutions in Arkansas, families making less than \$30,000 would need 64 percent of their income to cover educational expenses for a student. For families making between \$30,000 and \$48,000 per year, 31 percent of income would be needed.

Net Price as a Percentage of Income, Public Four-Year Category 2 Institutions, 2013

Annual Income	Average for This Income Level	Percentage of Families in This Income Level	Net Price	Percentage of Income Needed
\$0 - \$30,000	\$17,422	29%	\$9,264	53%
\$30,000 - \$48,000	\$38,869	20%	\$9,278	24%
\$48,000 - \$75,000	\$60,330	22%	\$11,159	18%
\$75,000 - \$110,000	\$91,021	16%	\$12,702	14%
\$110,000 and above	\$178,275	13%	\$12,993	7%

At public four-year category 2 institutions in Arkansas, 53 percent of income would be needed to cover educational expenses for a student in a family making less than \$30,000. For families making between \$30,000 and \$48,000, 24 percent of income would be needed.

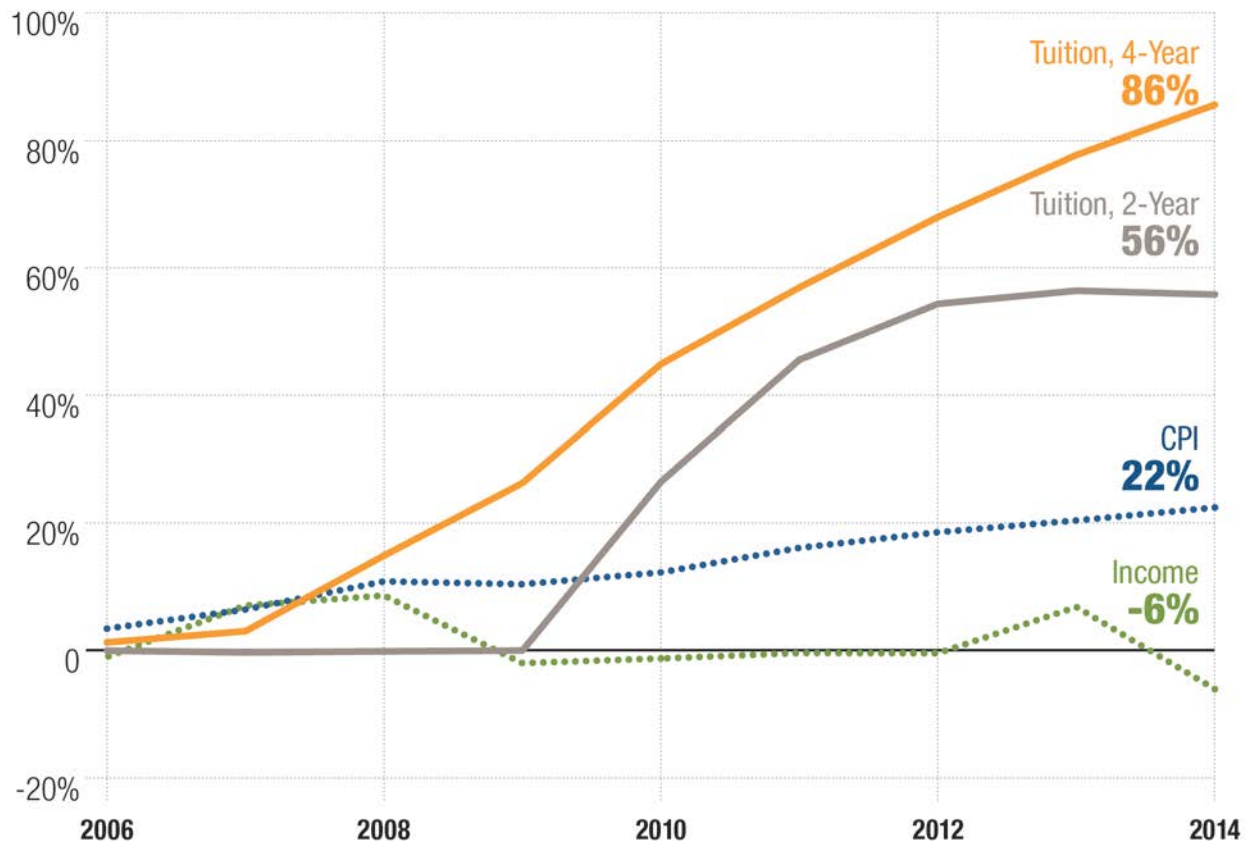
Net Price as a Percentage of Income, Public Two-Year institutions, 2013

Annual Income	Average in This Income Level	Percentage of Families in This Income Level	Net Price	Percentage Income Needed
\$0 - \$30,000	\$17,422	29%	\$6,627	38%
\$30,000 - \$48,000	\$38,869	20%	\$6,981	18%
\$48,000 - \$75,000	\$60,330	22%	\$8,895	15%
\$75,000 - \$110,000	\$91,021	16%	\$10,748	12%
\$110,000 and above	\$178,275	13%	\$10,616	6%

At public two-year institutions in Arkansas, 38 percent of income would be needed to cover educational expenses for a student in a family making less than \$30,000. For families making between \$30,000 and \$48,000, 18 percent of income would be needed.

Arkansas: Changes in Tuition and Family Income, 2005-2014

Since 2005, tuition at both public four-year and public two-year institutions in Arkansas has been growing much more rapidly than either inflation or family income.



Notes and sources: Consumer Price Index: Bureau of Labor Statistics, South urban area. Tuition and fees: National Center for Education Statistics *Digest of Education Statistics*; Median family income: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements, South region, Table F-6.

Other Contextual Information

- By 2020, the Georgetown Center for the Workforce predicts that 59 percent of jobs in Arkansas will require a postsecondary education or above, very similar to the average for the South (59 percent) and below the U.S. average (65 percent).
- Nineteen percent of students in Arkansas are enrolled in public four-year category 1 institutions, 38 percent are enrolled in category 2 four-year institutions, and 42 percent are enrolled in community colleges. (Category 1 institutions award at least 30 doctoral degrees in five different areas. Category 2 includes all other four-year institutions.)
- In 2014, 26 percent of children in Arkansas were living in poverty.

Arkansas Institutions by Type

Category 1 Public Four-Year Institutions

University of Arkansas, Fayetteville

Category 2 Public Four-Year Institutions

Arkansas State University
Arkansas Tech University
Henderson State University
Southern Arkansas University
University of Arkansas at Little Rock
University of Arkansas at Monticello
University of Arkansas at Pine Bluff
University of Arkansas - Fort Smith
University of Central Arkansas

Community Colleges

Arkansas Northeastern College
Arkansas State University Mountain Home
Arkansas State University - Beebe
Arkansas State University - Newport
Black River Technical College
College of the Ouachitas

Cossatot Community College of the University of Arkansas
East Arkansas Community College
Mid-South Community College
National Park Community College
North Arkansas College
Northwest Arkansas Community College
Ozarka College
Phillips Community College of the University of Arkansas
Pulaski Technical College
Rich Mountain Community College
South Arkansas Community College
Southeast Arkansas College
Southern Arkansas University Tech
University of Arkansas Community College at Batesville
University of Arkansas Community College at Hope
University of Arkansas Community College at Morrilton

*Category 1 four-year institutions award at least 30 doctoral degrees in five different areas.
Category 2 includes all other four-year institutions.*