



Kentucky

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.

Kentucky College Affordability Profile

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

Families in Kentucky would need to pay 15.4 percent of their income to cover educational expenses for a student at a public two-year institution in the state. This is lower than the SREB average and lower than the national average.

Families in Kentucky would need to pay 23.3 percent of their income to cover educational expenses for a student at a public four-year, non-research institution in the state. This is lower than the SREB average and lower than the national average.

	Kentucky, 2008	Kentucky, 2013	SREB Average, 2013	U.S. Average, 2013
Public Four-Year Category 1	21.5%	29.5%	29.0%	29.9%
Public Four-Year Category 2	23.5%	23.3%	27.3%	27.4%
Public Two-Year	13.6%	15.4%	17.2%	18.6%
Public Technical	NA	14.6%	18.3%	18.6%

How Much is Spent Per Student on Financial Aid?

In Kentucky need-based aid per student is \$293. This is lower than the SREB average and lower than the national average. Aid based on criteria other than need is \$626 per student. This is higher than the SREB average and higher than the national average.

	Kentucky, 2004	Kentucky, 2007	Kentucky, 2013	SREB Average, 2013	U.S. Average, 2013
Need Only	\$275	\$345	\$293	\$338	\$474
Other	\$501	\$572	\$626	\$480	\$210

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

Twenty-eight percent of families in Kentucky make less than \$30,000 per year. For a student in these families, tuition at the lowest-priced public colleges would require 21 percent of income. This is higher than the SREB average and higher than the national average.

	2008	2013
Percentage of Families	29%	28%
Tuition	\$2,904	\$3,456
Income	\$16,787	\$16,505
Percentage of Income	17%	21%
SREB Average	11%	16%
National Average	14%	18%

How Much Do Graduates Borrow?

Graduates from public four-year research universities in Kentucky have borrowed, on average, \$24,062. This is higher than the SREB average and higher than the national average.

	Kentucky, 2008	Kentucky, 2013	SREB Average, 2013	U.S. Average, 2013
Public Four-Year Category 1	\$16,000	\$24,062	\$22,959	\$20,980
Public Four-Year Category 2	\$17,407	\$12,634	\$11,082	\$10,906
Public Two-Year	\$8,641	\$15,280	\$10,267	N/A
Public Technical	\$20,903	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	\$16,505	28%	\$10,223	62%
\$30,000 - \$48,000	\$39,190	18%	\$11,713	30%
\$48,000 - \$75,000	\$60,936	22%	\$15,347	25%
\$75,000 - \$110,000	\$90,888	17%	\$18,074	20%
\$110,000 and above	\$177,399	15%	\$18,469	10%

At public four-year category 1 institutions in Kentucky, families making less than 30,000 would need 62 percent of their income to cover educational expenses for a student. For families making between \$30,000 and 48,000, 30 percent of income would be needed to attend.

Net Price as a Percentage of Income, Public Four-Year Category 2 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	\$16,505	28%	\$8,072	49%
\$30,000 - \$48,000	\$39,190	18%	\$9,611	25%
\$48,000 - \$75,000	\$60,936	22%	\$12,172	20%
\$75,000 - \$110,000	\$90,888	17%	\$13,878	15%
\$110,000 and above	\$177,399	15%	\$13,765	8%

At public four-year category 2 institutions in Kentucky, 49 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, 25 percent of income would be needed.

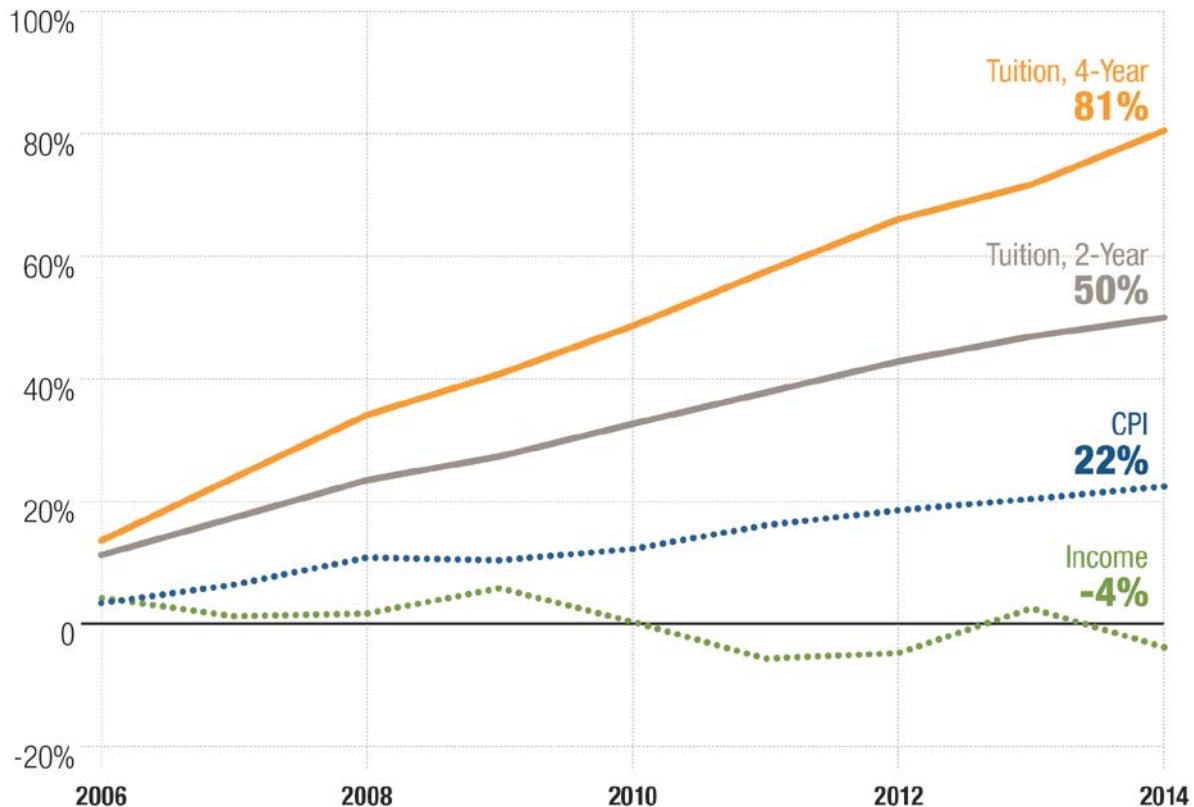
Net Price as a Percentage of Income, Public Two-Year Institutions, 2013

Annual Income	Average in This Income Level	Percentage of Families in This Income Level	Net Price	Percentage of Income Needed
\$0 - \$30,000	\$16,505	28%	\$5,545	34%
\$30,000 - \$48,000	\$39,190	18%	\$5,569	14%
\$48,000 - \$75,000	\$60,936	22%	\$7,591	12%
\$75,000 - \$110,000	\$90,888	17%	\$9,881	11%
\$110,000 and above	\$177,399	15%	\$10,027	6%

At public two-year institutions in Kentucky, 34 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, 14 percent of income would be needed to attend.

Kentucky: Changes in Tuition and Family Income, 2015-2014

Since 2005, tuition at public four-year and two-year institutions in Kentucky 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 62 percent of jobs in Kentucky will require a postsecondary education or above, higher than the average for the South (59 percent) and similar to the U.S. average (65 percent).
- Twenty-three percent of students in Kentucky are enrolled in public four-year category 1 institutions; 38 percent are enrolled at category 2 four-year institutions; 35 percent are enrolled in community colleges; and 3 percent are in technical colleges.
- In 2014, 26 percent of children in Kentucky were living in poverty. This is up from 2004 when 22 percent were living in poverty.

Kentucky Institutions by Type

Category 1 Public Four-Year Institutions

University of Kentucky
University of Louisville

Category 2 Public Four-Year Institutions

Eastern Kentucky University
Morehead State University
Murray State University
Western Kentucky University
Northern Kentucky University
Kentucky State University

Public Two-Year Colleges

Ashland Community and Technical College
Big Sandy Community and Technical College
Bluegrass Community and Technical College
Elizabethtown Community and Technical College
Hazard Community and Technical College
Henderson Community College
Hopkinsville Community College
Jefferson Community and Technical College
Madisonville Community College
Maysville Community and Technical College
Owensboro Community and Technical College
Somerset Community and Technical College
Southeast Kentucky Community and Technical College
West Kentucky Community and Technical College

Category 1 four-year institutions award at least 30 doctoral degrees in five different areas.

Category 2 includes all other four-year institutions.