

Texas

College Affordability Profile

The effect of the pandemic on state budgets has not yet peaked, but it will likely affect college affordability for years to come. In this year's SREB College Affordability Profiles, we examine data for the 2017-18 academic year, the most recent year that student financial aid and net price data are available. Although the data were collected prior to the pandemic, it shows that states continue to face challenges in making college affordable. In many states, students must spend a larger percentage of their family income to pay for college, particularly at four-year institutions. In most states, two-year institutions and technical colleges and institutes offer the most affordable degree programs.

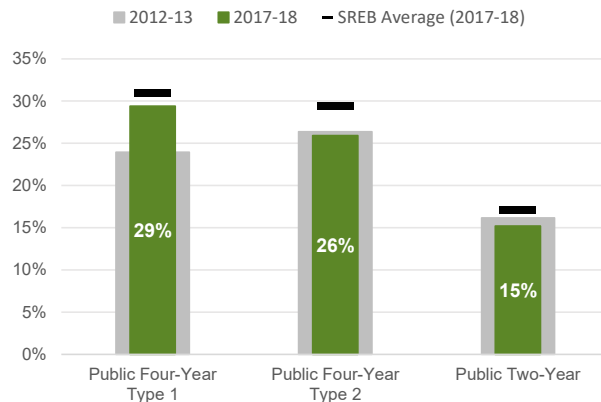
Percentage of Average Family Income Required to Pay the Net Price for Full-Time Students at Public Institutions

In 2017-18, the percentage of family income required to pay for college in Texas was **lower than the SREB averages for all public institutions.**

Families in Texas paid a lower percentage of their family income in 2017-18 for a full-time student to attend four-year Type 2 and two-year institutions than in 2012-13.

Families in Texas needed, on average, 29% of their income in 2017-18 to pay educational expenses for a full-time student at four-year Type 1 institutions and 26% at four-year Type 2 institutions.

In 2017-18, Texas families needed, on average, 15% of their income to cover educational expenses at two-year institutions.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2012 and 2017, 12-Month Enrollment Instructional Activity Files 2013 and 2018. American Community Survey Public Use Microdata Samples 2012 and 2017. Institutional sectors based on SREB-State Data Exchange categories.

Key terms:

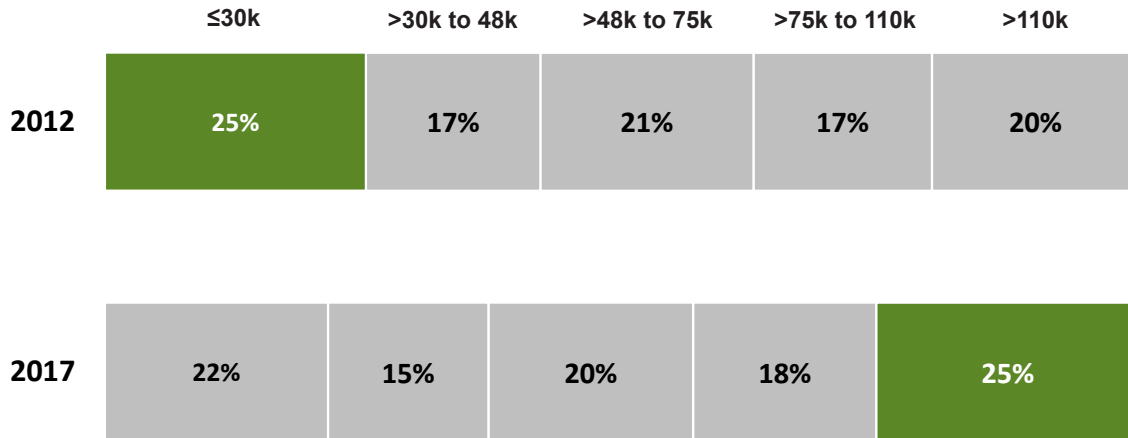
Four-Year Institution Type 1: four-year institutions that awarded at least 30 doctoral degrees in five different areas.

Four-Year Institution Type 2: all other four-year institutions.

Net Price: total cost of attendance (includes tuition, fees, room & board, etc.) minus federal, state/local government, or institutional grant and scholarship aid.

Distribution of Average Family Income

Data on net price is collected using five income categories. In Texas, students from families that **made less than \$30,000** accounted for **the largest percentage of families in 2012** and families that made over \$110,000 accounted for **the largest percentage of families in 2017**.



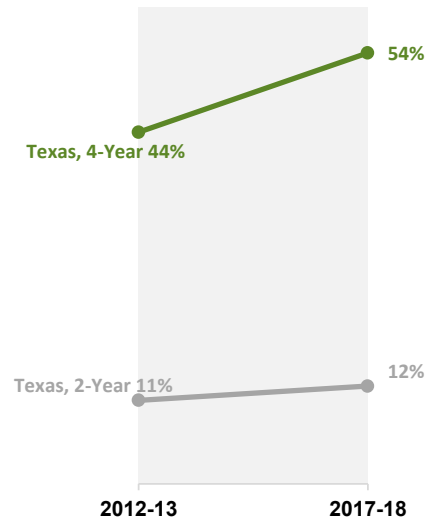
Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2012 and 2017.

Percentage of Income Required for Median Tuition and Fees at Public Institutions for Families Making Less Than \$30,000

The increase in percentage of income required for **median tuition and fees** at public institutions **was higher at four-year institutions than two-year institutions from 2012-13 to 2017-18** for Texas families making less than \$30,000.

For families making less than \$30,000, the cost of median tuition and fees at four-year institutions was 54% of income in 2017-18, compared to 44% in 2012-13.

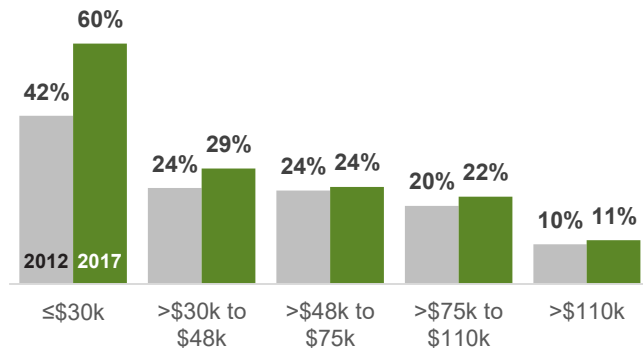
Families needed 12% of their income in 2017-18 to cover the state's median tuition at two-year institutions. In 2012-13 it was 11%.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Charges Data Files and Directory Files 2012 and 2017, 12-Month Enrollment Instructional Activity Data Files 2013 and 2018. American Community Survey Public Use Micro Sample Files 2012 and 2017.

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

Texas families in the **lowest income category** were the **most affected** by the increase in net price at four-year Type 1 institutions.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2012 and 2017, 12-Month Enrollment Instructional Activity Files 2013 and 2018. American Community Survey Public Use Microdata Samples, 2012 and 2017. Institutional types based on SREB-State Data Exchange categories.

The increase in the percentage of income needed to pay for four-year Type 1 institutions in Texas was much larger for families making less than \$30,000 than for any other income category.

Families making less than \$30,000 in 2012 needed 42% of their income to pay educational expenses. In 2017 it was 60%.

Families making over \$110,000 only needed 10% of their income in 2012 and 11% in 2017 to cover expenses at these institutions.

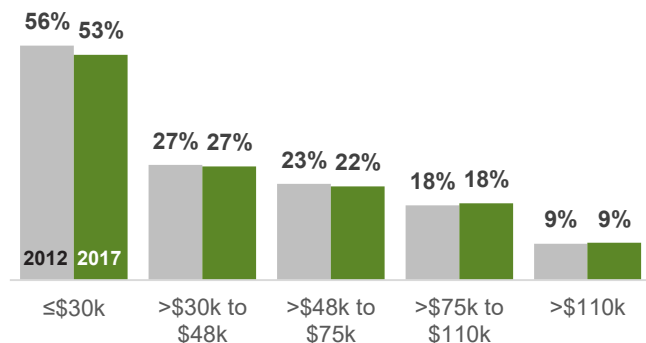
Net Price as a Percentage of Income, Public Four-Year Type 2 Institutions

Texas families in the **lowest income categories** were the **most affected** by the cost of attendance at four-year Type 2 institutions.

The percentage of income needed to pay for four-year Type 2 institutions in Texas decreased for families less than \$30,000.

Families making less than \$30,000 in 2012 needed 56% of their income to pay educational expenses. In 2017 it was 53%.

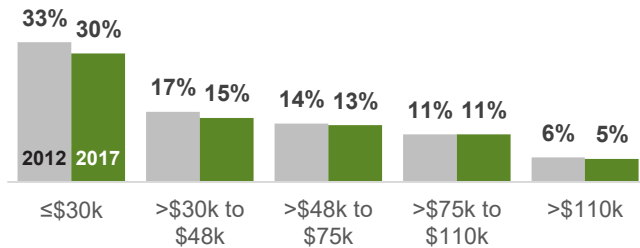
Families making over \$110,000 only needed 9% of their income in 2012 and 2017 to cover expenses at these institutions.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2012 and 2017, 12-Month Enrollment Instructional Activity Files 2013 and 2018. American Community Survey Public Use Microdata Samples, 2012 and 2017. Institutional types based on SREB-State Data Exchange categories.

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

The **percentage of income** needed to pay for educational expenses at **two-year institutions** **decreased** for Texas families making less than \$30,000.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2012 and 2017, 12-Month Enrollment Instructional Activity Files 2013 and 2018. American Community Survey Public Use Microdata Samples, 2012 and 2017. Institutional types based on SREB-State Data Exchange categories.

The percentage of income needed to pay for two-year institutions in Texas decreased or remained the same for families in all income categories.

At Texas's two-year institutions, families making less than \$30,000 in 2012 needed 33% of their income to pay educational expenses. In 2017 it was 30%.

Families making over \$110,000 only needed 6% of their income in 2012 and 5% in 2017 to cover these expenses.

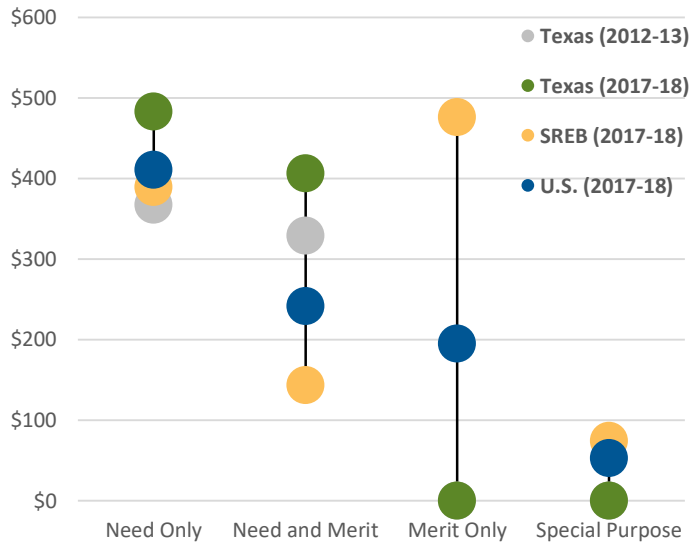
State Financial Aid Per Student

Texas awarded **more need-based aid in 2017-18** per full-time-equivalent student than the SREB and national averages. **Need-based aid also increased** from 2012-13 to 2017-18.

	Need Only	Need and Merit	Merit Only	Special Purpose
Texas (2012-13)	\$367	\$329	\$0	\$0
Texas (2017-18)	\$482	\$406	NA	\$0
SREB Average (2017-18)	\$389	\$143	\$476	\$74
U.S. Average (2017-18)	\$411	\$241	\$195	\$53

The state spent \$482 on average per undergraduate FTE student on need-based aid in 2017-18, compared to \$367 in 2012-13. The SREB average in 2017-18 was \$389 and the national average was \$411.

Texas spent \$406, on average, per FTE for financial aid that had need and merit criteria in 2017-18, much more than the SREB average for need and merit-based aid of \$143 and the national average of \$241.



National Association of State Student Grant & Aid Programs 2013 and 2018 annual survey (results for public institutions only). U.S. Department of Education, Integrated Postsecondary Education Data System Instructional Activity File, 2013 and 2018, and Directory File, 2012 and 2017.

Student Borrowing at Public Institutions

In 2017-18, Texas graduates **borrowed less than the SREB and national averages to earn degrees at four-year Type 1 and two-year institutions.**

	Texas, 2012-13	Texas, 2017-18	SREB Average, 2017-18	U.S. Average, 2017-18
Four-Year Type 1	\$19,490	\$19,704	\$21,600	\$21,232
Four-Year Type 2	\$18,548	\$20,009	\$22,677	\$19,510
Two-Year	\$7,559	\$9,579	\$10,798	\$10,171

U.S. Department of Education, College Scorecard, 2012 and 2017. U.S. Department of Education, Integrated Postsecondary Education Data System, 12-Month Enrollment Instructional Activity Data Files 2013 and 2018 and Directory Files 2012 and 2017.

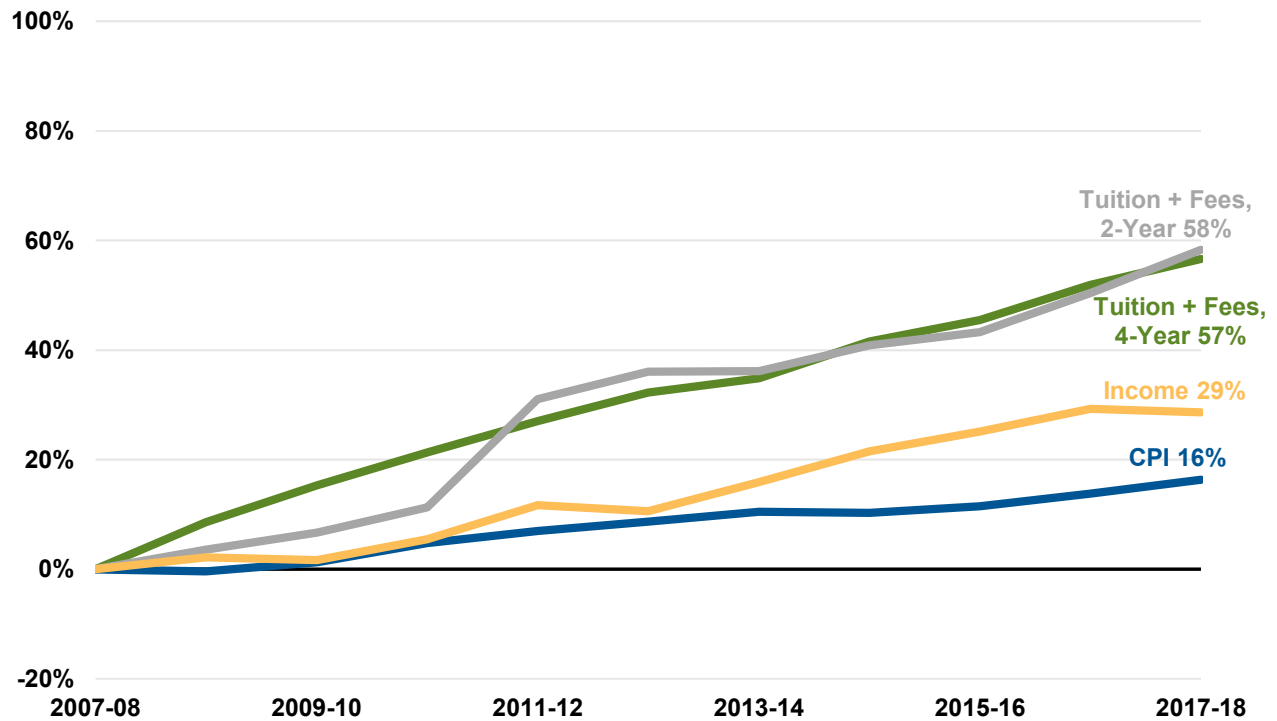
Graduates who sought a degree or certificate from four-year Type 1 universities in Texas in 2017-18 borrowed, on average, \$19,704 and graduates of four-year Type 2 institutions borrowed \$20,009. These amounts were higher than average amounts borrowed in 2012-13, but lower than the SREB average in 2017-18.

Students at public two-year colleges borrowed, on average, \$9,579 in 2017-18, much more than the average amount in 2012-13 but less than the SREB and national averages in 2017-18.

Changes in Tuition and Fees, CPI and Household Income

Compared to the CPI and household income, **tuition and fees** at Texas public colleges and universities **increased at a faster rate** between 2007-08 and 2017-18.

Over that decade, the CPI increased by 16% and median household income in Texas increased by 29%, while tuition and fees increased by 57% at four-year institutions and 58% at two-year institutions.

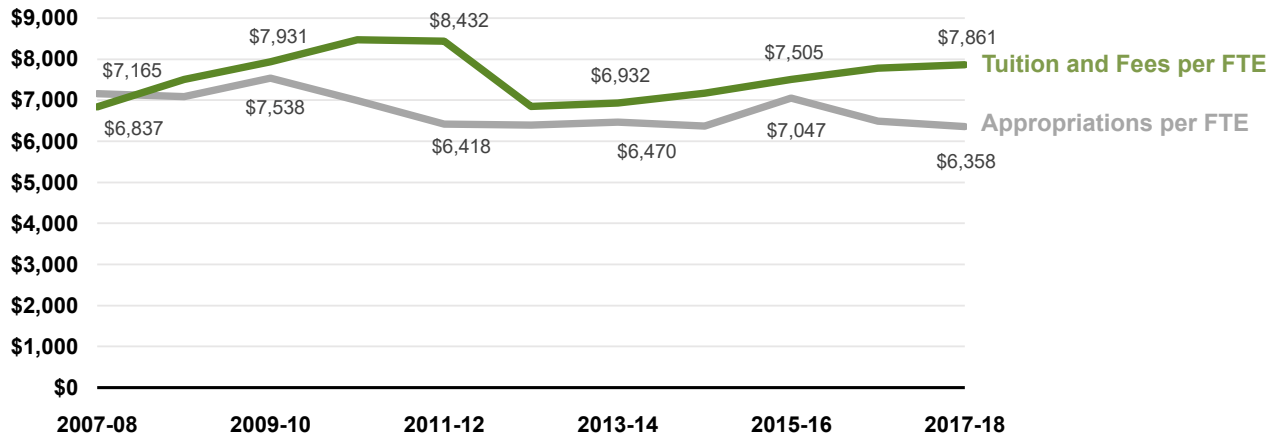


Consumer Price Index retrieved from FRED, Federal Reserve Bank of St. Louis: Bureau of Labor Statistics, South urban area, 2017. Tuition and fees retrieved from the U.S. Department of Education, Integrated Postsecondary Education Data System, Institutional Characteristics Files, 2007 to 2017. Median household income retrieved from FRED, Federal Reserve Bank of St. Louis: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements, South region, 2020.

Dollars per FTE Student from State Appropriations and Tuition and Fees

Operating expenses at Texas's **public four-year institutions** consisted **mostly of tuition and fees** in 2017-18.

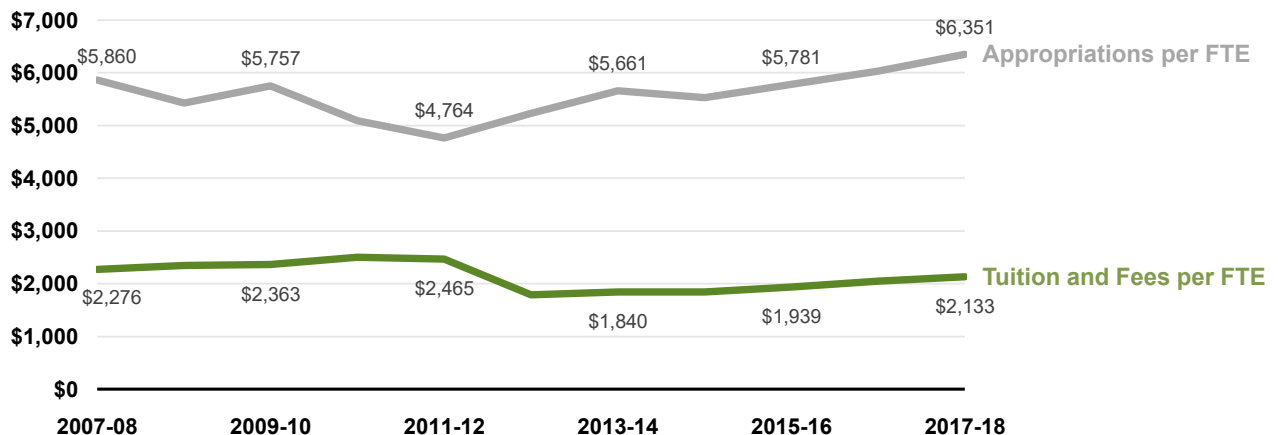
Net tuition and fees per FTE student at Texas's four-year institutions increased from \$6,837 in 2007-08 to \$7,861 in 2017-18. In comparison, state appropriations per FTE student decreased from \$7,165 in 2007-08 to \$6,358 in 2017-18. Students and families started paying a larger share of the total funding per student after 2007-08.



Source: SREB-State Data Exchange

Operational funds consisted **increasingly of state and local appropriations** for Texas's **public two-year institutions** in 2017-18.

State and local appropriations per FTE student at Texas's two-year institutions have rebounded over the last several years to \$6,351 in 2017-18, compared to \$5,860 per FTE student in 2007-08. Tuition and fees per FTE student decreased slightly from \$2,276 in 2007-08 to \$2,133 in 2017-18. The state continued to pay for a larger share of the revenues for operations.



Source: SREB-State Data Exchange

Additional State Context

Postsecondary Enrollment. In 2017-18, 32% of students in Texas were enrolled in public four-year Type 1 institutions, 17% were enrolled at public four-year Type 2 institutions, and 51% were enrolled in public two-year colleges.

First-Year Retention. For the 2017 cohort, 90% of students attending public four-year Type 1 institutions in Texas were still enrolled one year later, 80% were retained after the first year in public four-year Type 2 institutions, and 68% were retained at public two-year colleges.

Pell Grants. In 2017-18, 19% of the average cost of attendance in public four-year Type 1 institutions in Texas was covered by the average Pell Grant award. The average grant amount covered 23% of costs in public four-year Type 2 institutions and 30% in public two-year colleges.

Education Attainment. In 2018, over 47% of Texas's working adult population between ages 25 and 64 had a postsecondary credential of value. The state's educational attainment goal is to reach 60% by 2030.

Student Debt. In Texas, 48% of the class of 2019 graduated from four-year colleges with debt, owing an average of \$26,951.

Sources: Enrollment: U.S. Department of Education, Integrated Postsecondary Education Data Systems, 2017. Retention: SREB-State Data Exchange. Pell: U.S. Department of Education: 2017-2018 Award Year Grant Volume by School (2019) and SREB analysis of National Center for Education Statistics student financial aid database, 2017-18. Educational attainment: State Higher Education Master Plans and Lumina Foundation, "A Stronger Nation," 2019. Student debt: The Institute for College Access & Success. College Insight, <https://college-insight.org>. Student debt and undergraduate financial aid data are licensed from Peterson's Undergraduate Financial Aid and Undergraduate Databases, © 2020 Peterson's LLC, all rights reserved. All data may be reproduced, with attribution, subject to restrictions under this Creative Commons license: <https://creativecommons.org/licenses/by-nc-nd/3.0/>.

Texas Institutions by Type

Public Four-Year Type 1

University of Houston
University of North Texas
Texas State University
Texas A&M University-College Station
The University of Texas at Arlington
The University of Texas at Austin
The University of Texas at Dallas
The University of Texas at El Paso
The University of Texas at San Antonio
Texas Tech University
Texas Woman's University

Public Four-Year Type 2

Angelo State University
Texas A&M University-Corpus Christi
Texas A&M University-Texarkana

Texas A&M University-Commerce
University of Houston-Clear Lake
University of Houston-Downtown
University of Houston-Victoria
Lamar University
Texas A&M International University
Midwestern State University
The University of Texas Rio Grande Valley
Prairie View A&M University
Sam Houston State University
Stephen F. Austin State University
Sul Ross State University
Tarleton State University
Texas A&M University-Kingsville
The University of Texas at Tyler
The University of Texas of the Permian Basin
Texas Southern University

West Texas A&M University
Texas A&M University-San Antonio
Texas A&M University-Central Texas

Public Two-Year

Alvin Community College
Amarillo College
Angelina College
Austin Community College District
Coastal Bend College
Blinn College
Brazosport College
Brookhaven College
Cedar Valley College
Central Texas College
Cisco College
Clarendon College
North Central Texas College
Del Mar College
Eastfield College
El Centro College
El Paso Community College
Frank Phillips College
Galveston College
Grayson College
Trinity Valley Community College
Hill College
Houston Community College
Howard College
Kilgore College
Lamar State College-Orange
Lamar State College-Port Arthur
Laredo Community College
Lee College
College of the Mainland
McLennan Community College

Midland College
Mountain View College
Navarro College
Lone Star College System
North Lake College
Northeast Texas Community College
Odessa College
Texas Southmost College
Panola College
Paris Junior College
Ranger College
Richland College
St Philip's College
San Antonio College
San Jacinto Community College
South Plains College
Southwest Texas Junior College
Tarrant County College District
Temple College
Texarkana College
Tyler Junior College
Vernon College
Victoria College
Weatherford College
Western Texas College
Wharton County Junior College
Palo Alto College
Collin County Community College District
Southwest Collegiate Institute for the Deaf
South Texas College
Northwest Vista College
Lamar Institute of Technology
Texas State Technical College
Northeast Lakeview College

Notes

Type 1 four-year institutions award at least 30 doctoral degrees in five different areas. **Type 2** includes all other four-year institutions. The **public two-year category** includes institutions that primarily award associate degrees; the list may include two-year institutions that award bachelor's degrees. The **technical college category** includes postsecondary institutions that offer programs of less than two-years duration below the baccalaureate level and occupational and vocational schools with programs that do not exceed 1800 contact hours. This profile does not report data for the technical college category if less than 3% of students are enrolled in this sector.

Institutions are listed as they were categorized in the 2017-18 Data Exchange Survey and if they submitted the data required for this profile.

This profile is based on data reported to IPEDS by institutions during the 2017-18 academic year. Some IPEDS surveys collect data for the prior academic year; for instance, the 2017-18 Student Financial Aid survey collected data for the 2016-17 academic year.

Institutions or states may have updated data previously reported, or adjusted methodology to calculate a statistic. As a result, some data in the current profile may differ from data reported in past Affordability Profiles for the same time period.

See the technical guide at [SREB.org/Affordability](https://www.sreb.org/Affordability) for detailed sources and explanatory notes.

SREB College Affordability Profiles detail data and trends specific to each SREB state to assist policy-makers with decisions on postsecondary affordability and attainment. For additional resources, including recommendations of the Commission on College Affordability in the South and the SREB Fact Book on Higher Education, visit <https://www.sreb.org/Affordability>.