

SREB Region

College Affordability Profile

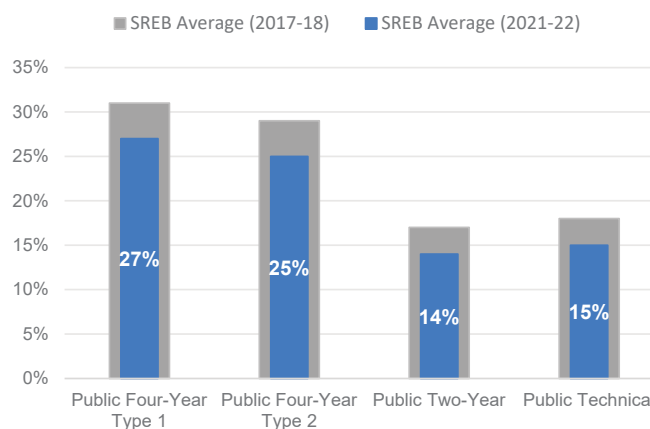
The Southern Regional Education Board convened a Commission on College Affordability in the South and published a report in 2016 emphasizing that affordability is a critical factor in both access to and completion of postsecondary education. In this year's SREB College Affordability Profiles, SREB examined data for the 2021-22 academic year, the most recent year that student financial aid and net price data are available. The SREB region shows mixed progress in college affordability, with some improvements in overall metrics, but persistent challenges for lower-income students. While the region maintains stronger financial aid programs than national averages, growing income inequality and increasing reliance on tuition and fees revenue present ongoing challenges to accessibility and affordability to postsecondary education.

Family Income Needed for Net Price at Public Institutions

The SREB region shows consistent improvements across all institution types from 2017-18 to 2021-22, with 3-4 percentage point reductions in required family income.

The 13-percentage point gap between highest and lowest cost institutions indicates variation in affordability across institution types.

Two-year institutions remain the most affordable option, while four-year Type 1 institutions require the highest percentage of family income.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2018 and 2022, 12-Month Enrollment Instructional Activity Files 2018 and 2022. American Community Survey Public Use Microdata Samples 2018 and 2022. Institutional sectors based on SREB-State Data Exchange categories.

Key terms:

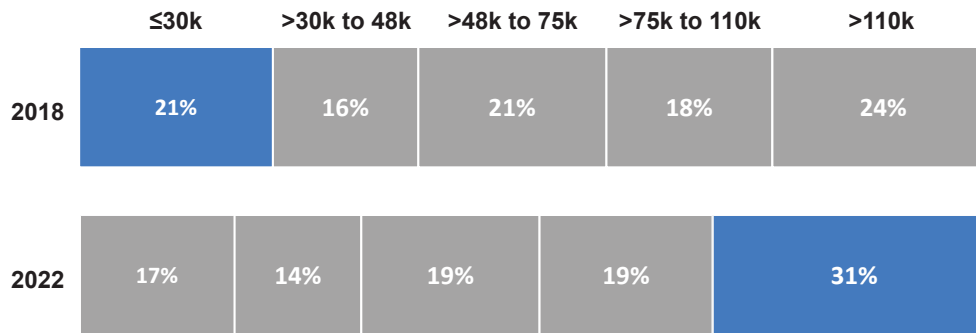
Four-Year Institution Type 1: Four-year institutions that awarded at least 30 doctoral degrees in five different areas.

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

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

Distribution of Average Family Income

In the SREB region, students from families that made \$110,000 or more saw the most substantial increase from 2018 to 2022. The 14-percentage point gap in 2022 between highest and lowest income groups indicates growing economic disparities among postsecondary students in the SREB region.



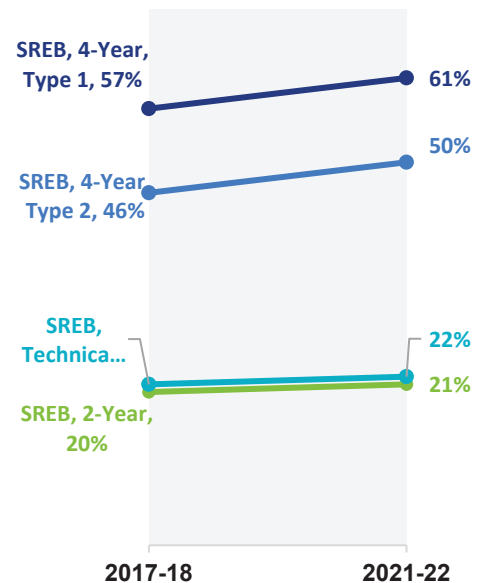
Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2018 and 2022.

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

The percentage of income required for median tuition and fees was higher at four-year institutions than two-year and technical institutions in 2021-22 for families in the SREB region making less than \$30,000.

The SREB region shows trends with increases across all institution types for low-income families. The 40-percentage point gap between four-year Type 1 and two-year institutions indicates severe disparities in accessibility to postsecondary education.

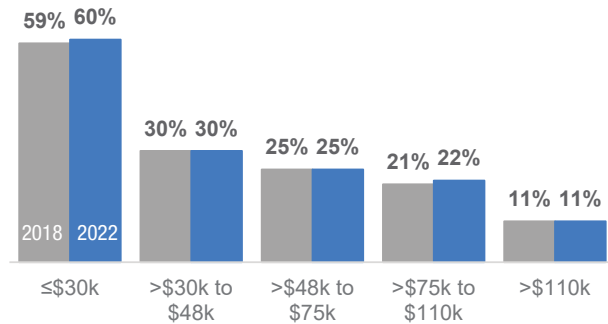
While two-year and technical institutions remain relatively affordable, the increases at four-year institutions suggest growing affordability challenges for families making less than \$30,000.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Charges Data Files and Directory Files 2018 and 2022, 12-Month Enrollment Instructional Activity Data Files 2018 and 2022. American Community Survey Public Use Micro Sample Files 2018 and 2022.

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

The percentage of income that SREB region families needed to pay for educational expenses at four-year Type 1 institutions remained stable from 2018 to 2022.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2018 and 2022, 12-Month Enrollment Instructional Activity Files 2018 and 2022. American Community Survey Public Use Microdata Samples, 2018 and 2022. Institutional types based on SREB-State Data Exchange categories.

The data shows remarkable stability across most income brackets, with minimal changes between 2018 and 2022.

The 49-percentage point gap between highest and lowest income groups in 2022 indicates inequity in affordability.

The pattern shows persistent inequities, with the lowest-income families bearing disproportionate burden of college costs.

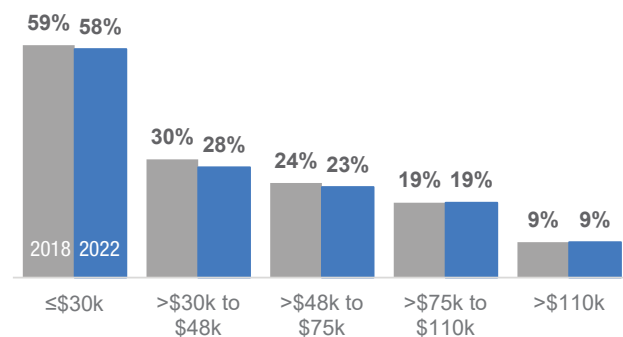
Net Price as a Percentage of Income for Public Four-Year Type 2 Institutions

The percentage of income that SREB region families needed to pay for educational expenses at four-year Type 2 institutions shows slight improvements across lower income brackets, with no changes in upper income brackets.

In 2022, families earning less than \$30,000 needed 58% of their income to cover educational expenses, while those earning over \$110,000 required just 9%.

The 49-percentage point gap between highest and lowest income groups in 2022 indicates substantial inequity in affordability.

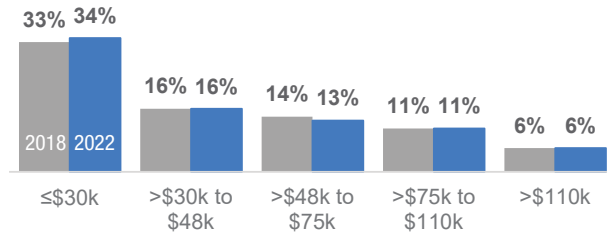
While some modest improvements are noted for low-income groups, significant disparities persist across income levels.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2018 and 2022, 12-Month Enrollment Instructional Activity Files 2018 and 2022. American Community Survey Public Use Microdata Samples, 2018 and 2022. Institutional types based on SREB-State Data Exchange categories.

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

The percentage of income that SREB region families needed to pay for educational expenses at two-year institutions remained stable from 2018 to 2022.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2018 and 2022, 12-Month Enrollment Instructional Activity Files 2018 and 2022. American Community Survey Public Use Microdata Samples, 2018 and 2022. Institutional types based on SREB-State Data Exchange categories.

The 28-percentage point gap between highest and lowest income groups in 2022 indicates inequity in affordability, though less severe than at four-year institutions.

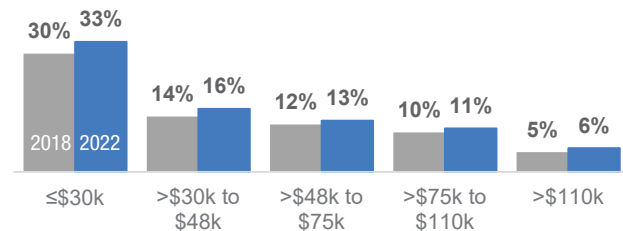
While two-year institutions remain the most affordable option overall, the slight increase in burden for the lowest income group suggests growing challenges for the most economically vulnerable students.

Net Price as a Percentage of Income for Public Technical Institutions

The percentage of income that SREB region families needed to pay for educational expenses at technical institutions increased minimally from 2018 to 2022.

The 27-percentage point gap between highest and lowest income groups in 2022 indicates significant inequity in affordability, though less severe than at four-year institutions.

Technical institutions show similar patterns to two-year institutions, with persistent inequities but lower overall burden compared to four-year institutions.

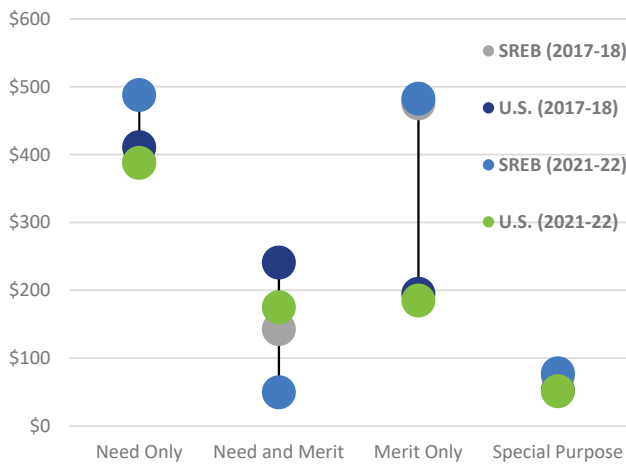


U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2018 and 2022, 12-Month Enrollment Instructional Activity Files 2018 and 2022. American Community Survey Public Use Microdata Samples, 2018 and 2022. Institutional types based on SREB-State Data Exchange categories.

State Financial Aid Per Student

SREB region maintains higher financial aid levels than national averages in most categories except need and merit combination aid.

	Need Only	Need and Merit	Merit Only	Special Purpose
SREB (2017-18)	\$389	\$143	\$476	\$74
U.S. (2017-18)	\$411	\$241	\$195	\$53
SREB (2021-22)	\$488	\$50	\$483	\$78
U.S. (2021-22)	\$388	\$175	\$185	\$51



The SREB region shows shifting priorities in financial aid distribution, with increased emphasis on need-based aid and maintained strong merit-based support.

The SREB region maintains higher aid levels than national averages in most categories, particularly in merit-only and need-based aid, indicating strong overall financial support for students compared to national standards.

National Association of State Student Grant & Aid Programs 2018 and 2022 annual survey (results for public institutions only). U.S. Department of Education, Integrated Postsecondary Education Data System Instructional Activity File, 2018 and 2022, and Directory File, 2018 and 2022.

Student Borrowing at Public Institutions

In 2020-21, SREB region graduates borrowed more than the national averages to earn degrees at four-year Type 1 and four-year Type 2 institutions.

	SREB Average 2015-16	SREB Average 2020-21	SREB Average 2020-21	U.S. Average 2020-21
Four-Year Type 1	\$21,185	\$21,234	\$20,710	\$20,550
Four-Year Type 2	\$21,917	\$21,470	\$21,912	\$20,758
Two-Year	\$8,855	\$9,652	\$10,088	\$10,653
Technical	\$7,593	\$9,486	\$9,037	\$10,088

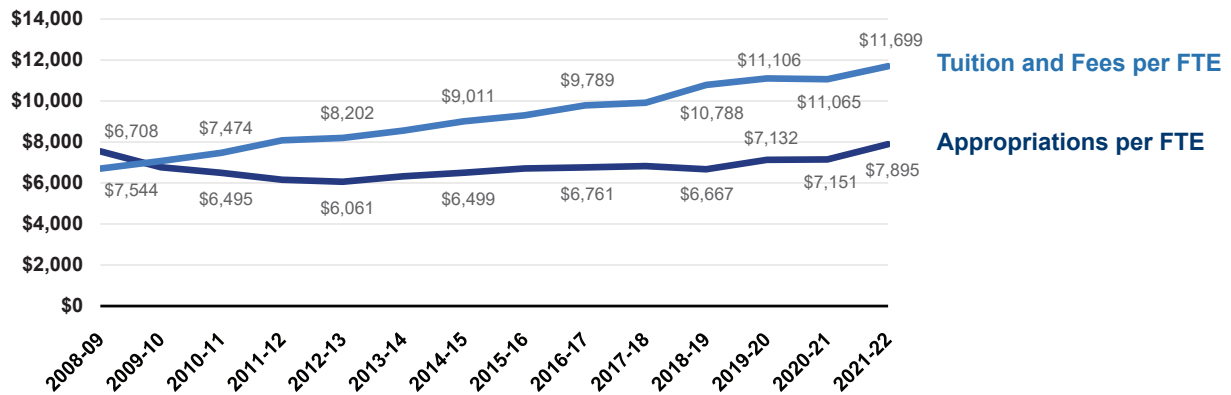
Sources: U.S. Department of Education, College Scorecard, 2016-17 and 2021-22. U.S. Department of Education, Integrated Postsecondary Education Data System, 12-Month Enrollment Instructional Activity Data Files 2018 and 2022 and Directory Files 2018 and 2022.

The data shows mixed trends in student borrowing across the SREB region, with improvements at four-year institutions but increases at two-year and technical institutions. While four-year borrowing remains relatively stable or slightly improved, the significant increase at two-year and technical institutions suggests growing affordability challenges at traditionally more affordable institutions.

Dollars per FTE Student from State Appropriations and Tuition and Fees

Operational funds per FTE consisted mostly of tuition and fees for SREB region's public four-year institutions in 2021-22.

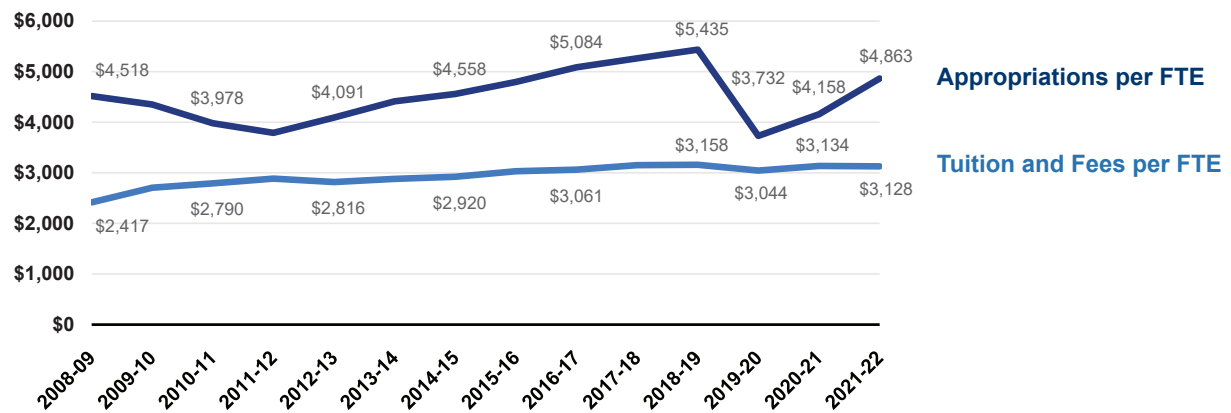
While tuition and fees increased by about 74% since 2008-09, state appropriations showed modest growth of about 7.5%. By 2021-22, tuition and fees exceeded state appropriations by approximately \$3,804, indicating increasing reliance on student-paid tuition and fees rather than state support.



Source: SREB-State Data Exchange

Operational funds per FTE consisted mostly of state and local appropriations for SREB region's public two-year institutions in 2021-22.

State and local appropriations, while volatile, remain higher than tuition and fees throughout the period. By 2021-22, appropriations exceeded tuition by \$1,735, indicating stronger state support for two-year institutions compared to four-year institutions. The pattern suggests better maintained affordability at two-year institutions despite fluctuations in state support.



Source: SREB-State Data Exchange

SREB Region Fast Facts

Postsecondary Enrollment: According to 2018 fall enrollment, 30% of students in SREB region were enrolled in public four-year Type 1 institutions, 21% were enrolled at public four-year Type 2 institutions, 47% were enrolled in two-year and 2% were enrolled in public technical institutions.

FAFSA: As of July 5, 2024, the FAFSA completion rate for the U.S. high school class of 2024 was 50%, reflecting an 11% decrease compared to the same date in 2023. The FAFSA completion rate for the SREB region was approximately 51% as of July 5, 2024.

Federal Student Aid: In 2021-22, 29% of students receiving any form of federal student aid were awarded Pell Grants, while 33% received federal student loans.

Education Attainment: In 2022, 51.3% of SREB region's working adult population (ages 25 to 64) held a postsecondary credential, placing the state 3 percentage points below the national average of 54.3%.

Workforce Needs: By 2031, approximately 64% of jobs on average in the SREB region will require a postsecondary credential.

Sources: Postsecondary Enrollment: U.S. Department of Education, Integrated Postsecondary Education Data Systems, 2022.

FAFSA: FAFSA Tracker – National, Retrieved November 2024. https://national.fafsaTracker.com/currentRates?sortBy=current_comp_rate&

Federal Student Aid: SREB analysis of National Center for Education Statistics student financial aid database, 2021-22.

Educational attainment: Lumina Foundation, A Stronger Nation, Retrieved November 2024
<https://www.luminafoundation.org/stronger-nation/report/#/progress>.

Workforce Needs: Georgetown University, After Everything: Projections of Jobs, Education, and Training Requirements through 2031, Retrieved November 2024. <https://cew.georgetown.edu/cew-reports/projections2031/>.

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 2021-22 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 2021-22 academic year. Some IPEDS surveys collect data for the prior academic year; for instance, the 2022-23 Student Financial Aid survey collected data for the 2021-22 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 <https://www.sreb.org/state-affordability-profiles> 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 [SREB.org/Affordability](https://www.sreb.org/Affordability).