Arkansas

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 Arkansas was lower than the SREB average for four-year Type 1 institutions.

Families in Arkansas paid a higher percentage of their family income in 2017-18 for a full-time student to attend four-year institutions than in 2012-13.

Families in Arkansas needed, on average, 30% of their income in 2017-18 to pay educational expenses for a full-time student at four-year Type 1 institutions and 29% at four-year Type 2 institutions.

In 2017-18 families in Arkansas needed to pay, on average, 19% of their income to cover educational expenses at two-year institutions.

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 Arkansas, students from families that made less than $30,000 accounted for the largest percentage of families in 2012 and 2017.

<table>
<thead>
<tr>
<th>Income Category</th>
<th>2012</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>≤30k</td>
<td>30%</td>
<td>26%</td>
</tr>
<tr>
<td>&gt;30k to 48k</td>
<td>20%</td>
<td>19%</td>
</tr>
<tr>
<td>&gt;48k to 75k</td>
<td>22%</td>
<td>22%</td>
</tr>
<tr>
<td>&gt;75k to 110k</td>
<td>15%</td>
<td>17%</td>
</tr>
<tr>
<td>&gt;110k</td>
<td>12%</td>
<td>16%</td>
</tr>
</tbody>
</table>


Percentage of 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 at public institutions was higher at four-year institutions than two-year institutions in 2012-13 and 2017-18 for Arkansas 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 48% of income in 2017-18, compared to 41% in 2012-13.

Families needed 18% of their income in 2017-18 and 15% in 2012-13 to cover the state's median tuition at two-year institutions.

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

Arkansas families in the lowest income category were the most affected by the increase in net price.

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

Families making less than $30,000 in 2012 needed 51% of their income to pay educational expenses. In 2017 it was 63%.

Families making over $110,000 only needed 8% of their income in 2012 and 10% in 2017 to cover expenses at these institutions.

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

Arkansas families making less than $30,000 were the most affected by the rising cost of attendance at four-year Type 2 institutions.

The increase in the percentage of income needed to pay for four-year Type 2 institutions in Arkansas was substantially larger for families making less than $30,000 than for any other income category.

Families making less than $30,000 in 2012 needed 45% of their income to pay educational expenses. In 2017 it was 67%.

Families making over $110,000 only needed 7% of their income in 2012 and 8% in 2017 to cover expenses at these institutions.
Net Price as a Percentage of Income, Public Two-Year Institutions

The percentage of income that Arkansas families needed to pay for educational expenses at two-year institutions decreased or remained stable from 2012 to 2017.

The decrease in the percentage of income needed to pay for two-year institutions in Arkansas was larger for families making less than $30,000 than for any other income category.

At Arkansas's two-year institutions, families making less than $30,000 in 2012 needed 44% of their income to pay for educational expenses. In 2017 it was 41%.

Families making over $110,000 only needed 7% of their income in 2012 and 2017 to cover these expenses.

State Financial Aid Per Student

Arkansas awarded more merit-based aid in 2017-18 per full-time-equivalent (FTE) student than the SREB and national averages. However, merit-based aid decreased from 2012-13 to 2017-18.

<table>
<thead>
<tr>
<th></th>
<th>Need Only</th>
<th>Need and Merit</th>
<th>Merit Only</th>
<th>Special Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arkansas (2012-13)</td>
<td>$77</td>
<td>$0</td>
<td>$1,071</td>
<td>$8</td>
</tr>
<tr>
<td>Arkansas (2017-18)</td>
<td>$31</td>
<td>NA</td>
<td>$925</td>
<td>$6</td>
</tr>
<tr>
<td>SREB Average (2017-18)</td>
<td>$389</td>
<td>$143</td>
<td>$476</td>
<td>$74</td>
</tr>
<tr>
<td>U.S. Average (2017-18)</td>
<td>$411</td>
<td>$241</td>
<td>$195</td>
<td>$53</td>
</tr>
</tbody>
</table>
The state spent $925 on average per undergraduate FTE student on merit-based aid in 2017-18, compared to $1,071 in 2012-13. The SREB average in 2017-18 was $476 and the national average was $195.

Arkansas spent $31, on average, per FTE for need-based financial aid in 2017-18, much less than the SREB average for need-based aid of $389 and the national average of $411.

Student Borrowing at Public Institutions

In 2017-18, Arkansas graduates borrowed less than the SREB average to earn degrees at all public institutions.

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<tbody>
<tr>
<td>Four-Year Type 1</td>
<td>$19,846</td>
<td>$21,391</td>
<td>$21,600</td>
<td>$21,232</td>
</tr>
<tr>
<td>Four-Year Type 2</td>
<td>$17,008</td>
<td>$19,827</td>
<td>$22,677</td>
<td>$19,510</td>
</tr>
<tr>
<td>Two-Year</td>
<td>$11,135</td>
<td>$9,968</td>
<td>$10,798</td>
<td>$10,171</td>
</tr>
</tbody>
</table>


Graduates who sought a degree or certificate from four-year Type 1 universities in Arkansas in 2017-18 borrowed, on average, $21,391 and graduates of four-year Type 2 institutions borrowed $19,827. 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, $9,968 in 2017-18, less than the average amount in 2012-13 and the 2017-18 SREB and national averages.
Changes in Tuition and Fees, CPI and Household Income

Compared to the CPI and household income, tuition and fees at Arkansas 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 Arkansas increased by 26%, while tuition and fees increased by 51% at four-year institutions and 71% at two-year institutions.

Dollars per FTE Student from State Appropriations and Tuition and Fees

Operational funds consisted mostly of tuition and fees for Arkansas’s public four-year institutions in 2017-18.

Net tuition and fees per FTE student at Arkansas’s four-year institutions increased from $5,654 in 2007-08 to $8,467 in 2017-18. In comparison, state appropriations per FTE student dropped from $7,507 in 2007-08 to $6,506 in 2017-18. Students and families started paying a larger share of the total funding per student after 2010-11.

Operational funds consisted mostly of state and local appropriations for Arkansas’s public two-year institutions in 2017-18.

State and local appropriations per FTE student at Arkansas’s two-year institutions have increased over the last eight years to $6,349 in 2017-18. More than the $5,143 per FTE student in 2007-08. Net tuition and fees per FTE student have risen steadily from $2,649 in 2007-08 to $4,311 in 2017-18. Over time, students and families paid more tuition and fees, but state appropriations accounted for a larger share of the revenues for operations.
Additional State Context

Postsecondary Enrollment. In 2017-18, 28% of students in Arkansas were enrolled in public four-year Type 1 institutions, 41% were enrolled at public four-year Type 2 institutions and over 31% were enrolled in public two-year colleges.

First-Year Retention. For the 2017 cohort, 86% of students attending public four-year Type 1 institutions in Arkansas were still enrolled one year later, 79% were retained after the first year in public four-year Type 2 institutions, and 57% 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 Arkansas was covered by the average Pell Grant award. The average grant amount covered 22% of costs in public four-year Type 2 institutions and 29% in public two-year colleges.

Education Attainment. In 2018, nearly 44% of Arkansas’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 2025.

Student Debt. In Arkansas, 53% of the class of 2019 graduated from four-year colleges with debt, owing an average debt of $26,679.


Arkansas Institutions by Type

Public Four-Year Type 1
University of Arkansas at Little Roc
University of Arkansas

Public Four-Year Type 2
University of Arkansas at Pine Bluff
Arkansas State University-Main Campus
Arkansas Tech University
University of Arkansas at Monticello
University of Central Arkansas
Henderson State University
Southern Arkansas University Main Campus
University of Arkansas-Fort Smith

Public Two-Year
Arkansas State University-Beebe
Black River Technical College

Cossatot Community College of the University of Arkansas
East Arkansas Community College
National Park College
University of Arkansas Community College-Batesville
Arkansas State University Mid-South
Arkansas Northeastern College
North Arkansas College
College of the Ouachitas
Ozarka College
University of Arkansas Community College-Morrilton
Phillips Community College of the University of Arkansas
Southeast Arkansas College
University of Arkansas-Pulaski Technical College
University of Arkansas Community College-Hope
University of Arkansas Community College Rich Mountain
South Arkansas Community College
Southern Arkansas University Tech
NorthWest Arkansas Community College
Arkansas State University-Mountain Home
Arkansas State University-Newport

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 for detailed sources and explanatory notes.

SREB College Affordability Profiles detail data and trends specific to each SREB state to assist policymakers 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.