

Georgia Affordability Profile

from

Affordability of Public Higher Education in SREB States

prepared by

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INTRODUCTION

At the request of the SREB, the Higher Education Policy Institute has prepared a profile of college affordability for each SREB state as well as a synthesis of relevant trends in the SREB region. This project was designed to “take the temperature” of college affordability in the South in order to provide a policy tool that can assist state policy-makers in assessing the current and prospective dimensions of the affordability issue and the need for state policy initiatives or interventions.

The major finding of this analysis is that the SREB states have lost ground in college affordability. For most students and families in the South, the cost of paying for college has outstripped family income and inflation. Several promising initiatives have been put in place by individual states, but many are not directed at the students and families most adversely affected by declining affordability and none are commensurate with the magnitude of the problem. One consequence is greater reliance on loans to finance college and growing indebtedness of students and graduates.

Whatever its causes, the trend toward reduced college affordability undermines the efforts of SREB states and colleges and universities to address the changing demography of the region and undercuts progress towards educational attainment goals and economic development requirements of the SREB member states. It is mathematically impossible for most SREB states to reach national and international workforce competitiveness without improving college access and attainment rates of low-income groups and of ethnic groups with lagging college participation rates. However, if current trends continue, declining affordability will constrain the college enrollment of these potential students and prevent states from reaching educational levels needed to provide opportunity for individuals and a competitive work force in the knowledge-based global economy.

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Georgia

Public Higher Education Affordability Profile

In order for students to enroll at associate's granting institutions in Georgia, they, or their families, would need to pay on average 16 percent of their annual income for college expenses, including living expenses, each year after taking into account all forms of grant aid, based on the current college expenses and current levels of aid. This is equal to the SREB average.

Georgia's non-need-based state grant program has a greater per-student award amount than the SREB average. The state currently offers no need-based aid.

The average amount of student loan aid received by full-time, first-time students in Georgia is less than the SREB average; average loan aid per-borrower has increased over time.

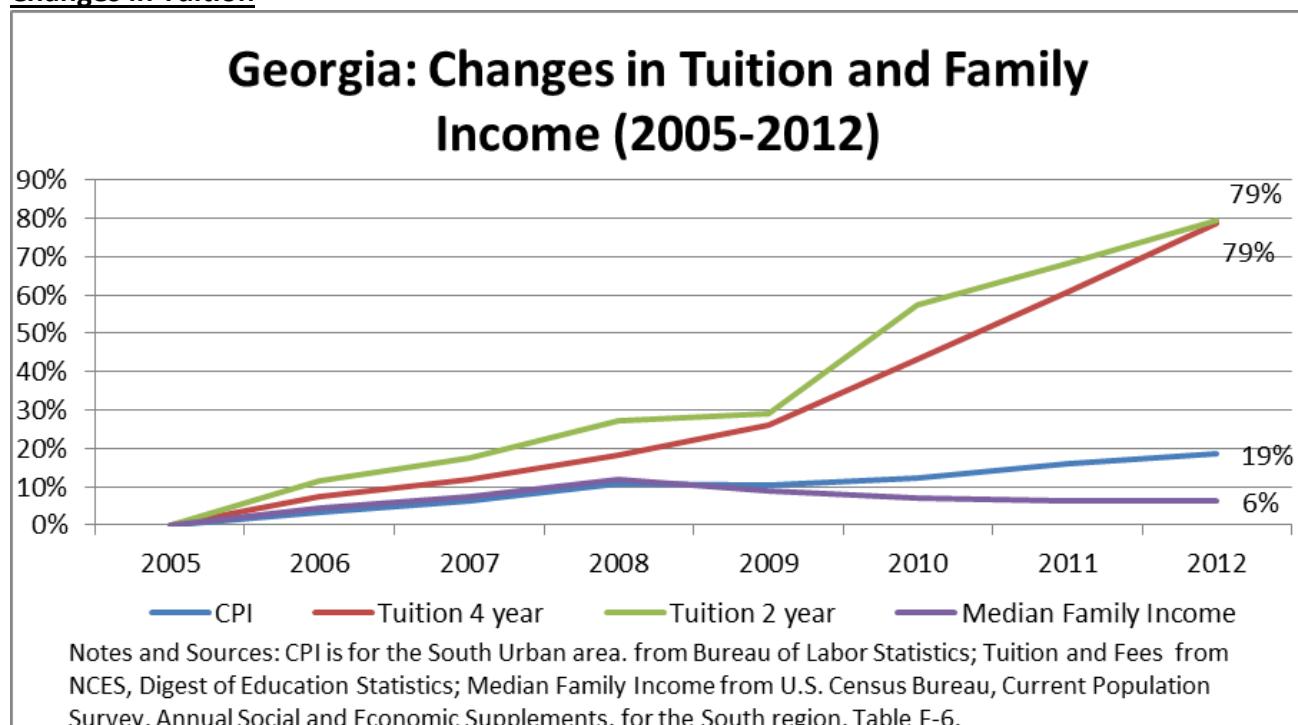
	Georgia			SREB	U.S. Average
	Pre-Recession	Recession	Post-Recession	Post-Recession	Post-Recession
Family Ability to Pay					
Percent of income needed to pay for college expenses minus financial aid:					
at technical colleges	N/A	12%	12%	14%	9%
at primarily associate's granting institutions	N/A	15%	16%	16%	27%
at public 4-year colleges (category 1)	N/A	24%	28%	27%	41%
at public 4-year colleges (category 2)	N/A	25%	29%	25%	19%
Strategies for Affordability					
State Grant funding per student					
Need-Based grants per student	\$5	\$0	\$0	\$204	\$276
Grants that have a need and non-need based requirement per student*	\$0	\$0	\$0	\$98	\$142
Non-Need based grants per student	\$1,136	\$1,225	\$1,097	\$345	\$145
At lowest-priced colleges, the share of income that the families with the lowest income need to pay for tuition	12%	8%	14%	18%	20%
Reliance on Loans					
Average amount of student loan aid received by full-time, first-time students attending public institutions	\$3,508	\$3,316	\$4,780	\$5,094	\$5,361
*As defined by NASSGAP, see Technical Guide. Grant requirements in this category vary widely by state -- some have a substantial merit component and others have a modest merit component.					
Note: Pre-Recession year data is from 2003-04; Recession year data is from 2006-07 on all variables except Estimated cost of postsecondary education where data is from 2008-09 (2007 data was unavailable for this variable); Post-Recession year data is from 2011-12. All dollar amounts have been adjusted into Constant 2013 dollars.					
N/A: Data not available.					

A Closer Look at Family Ability To Pay

		Technical Colleges		Associate's Granting Institutions	
	Average Income in Group	Net Price	Percent of Income needed to pay net college Price	Net Price	Percent of Income needed to pay net college Price
Income \$0-\$30,000	\$16,375	\$4,393	27%	\$6,048	37%
Income \$30-\$48,000	\$38,757	\$5,203	13%	\$6,218	16%
Income \$48,000-\$75,000	\$60,914	\$6,930	11%	\$8,295	14%
Income \$75,000-\$110,000	\$90,829	\$5,719	6%	\$8,769	10%
Income \$110,000 and Above	\$184,634	\$4,058	2%	\$9,358	5%
		Public Four Year 1		Public Four Year 2	
	Average Income in Group	Net Price	Percent of Income needed to pay net college Price	Net Price	Percent of Income needed to pay net college Price
Income \$0-\$30,000	\$16,375	\$10,136	62%	\$11,051	67%
Income \$30-\$48,000	\$38,757	\$11,556	30%	\$11,917	31%
Income \$48,000-\$75,000	\$60,914	\$13,995	23%	\$14,574	24%
Income \$75,000-\$110,000	\$90,829	\$13,134	14%	\$14,227	16%
Income \$110,000 and Above	\$184,634	\$16,037	9%	\$15,994	9%

- Low-income families (those with incomes less than \$30,000 per year) would need to pay on average 67 percent of their income to attend public four-year (category 2) colleges, even after taking into account all types of grant aid.
- Middle-income families (those earning between \$48,000 and \$75,000 per year) would need to pay on average 24 percent of their income to attend public four-year (category 2) colleges, even after taking into account all types of grant aid.

Changes in Tuition



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

Other Contextual Information:

- By 2020, the Georgetown Center on Education and the Workforce predicts that 65 percent of jobs in the state will require a postsecondary education or above, slightly higher than the Southern average (59 percent) and right at the U.S. average (also 65 percent).
- Fourteen percent of students in Georgia are enrolled in public four-year category 1 institutions, 33 percent at category 2 four-year institutions, 20 percent in primarily associate's granting institutions and 33 percent are enrolled in technical colleges.
- In 2012, 27 percent of children in Georgia were living in poverty. This is up from 2004 when 21 percent were living in poverty.
- In 2012, state investment in need-based grant aid at public colleges in Georgia was 0 percent as compared to the federal investment (Pell Grants).

Note: Category 1 four-year institutions are those that award at least 30 doctoral degrees in 5 different areas. Category 2 includes all other four-year institutions.

List of Institutions by Type

Category 1 Public Four-Year Institutions

Georgia State University
University of Georgia
Georgia Institute of Technology

Category 2 Public Four-Year Institutions

Albany State University
Armstrong Atlantic State University
Augusta State University
Clayton State University
Columbus State University
Fort Valley State University
Georgia College and State University
Georgia Southern University
Georgia Southwestern State University
Kennesaw State University
Macon State College
North Georgia College & State University
Savannah State University
University of West Georgia
Valdosta State University

Primarily Associate Granting Institutions

Abraham Baldwin Agricultural College
Atlanta Metropolitan College
Bainbridge College
College of Coastal Georgia
Dalton State College
Darton College
East Georgia College
Gainesville State College
Georgia Highlands College
Georgia Perimeter College
Gordon College
Middle Georgia College
South Georgia College
Waycross College

Technical Colleges

Albany Technical College
Altamaha Technical College

Athens Technical College
Atlanta Technical College
Augusta Technical College
Central Georgia Technical College
Chattahoochee Technical College
Columbus Technical College
East Central Technical College
Georgia Northwestern Technical College
Georgia Piedmont College
Gwinnett Technical College
Lanier Technical College
Middle Georgia Technical College
Moultrie Technical College
North Georgia Technical College
Oconee Fall Line Technical College
Ogeechee Technical College
Okefenokee Technical College
Savannah Technical College
South Georgia Technical College
Southeastern Technical College
Southern Crescent Technical College
Southwest Georgia Technical College
Valdosta Technical College
West Georgia Technical College
Wiregrass Georgia Technical College