



Western Interstate Commission
For Higher Education

Cost and Affordability Nevada and the West

Nevada Legislature

Interim Committee to Study the Cost and
Affordability of Higher Education

Christina Sedney
March 22, 2018

Agenda Item IX B (CAHE)
Meeting Date: 03-22-18



The Western Interstate Commission for Higher Education - WICHE

An interstate
compact
formed
65 years
ago

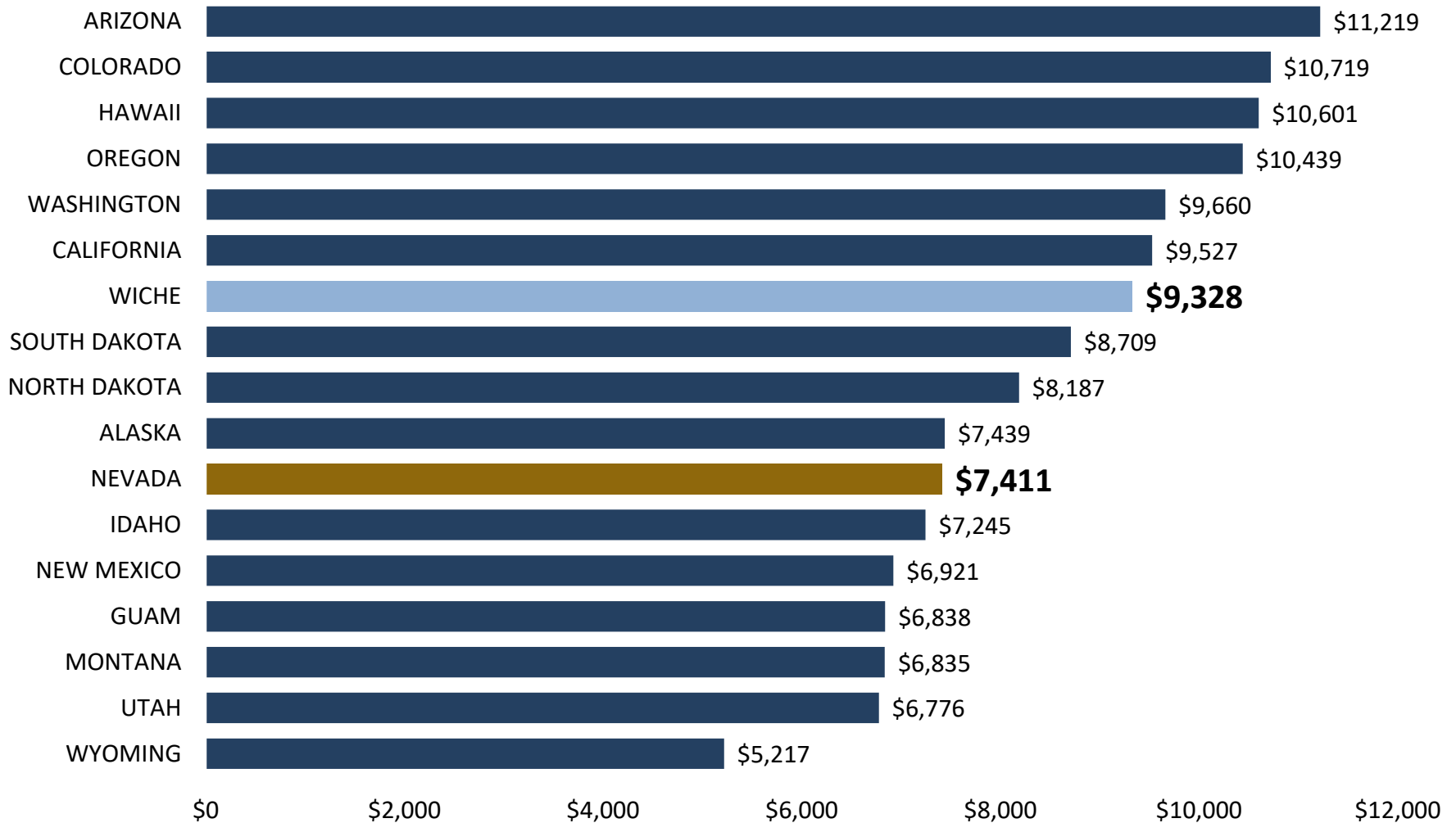


Tuition & Fees

How does Nevada Compare?

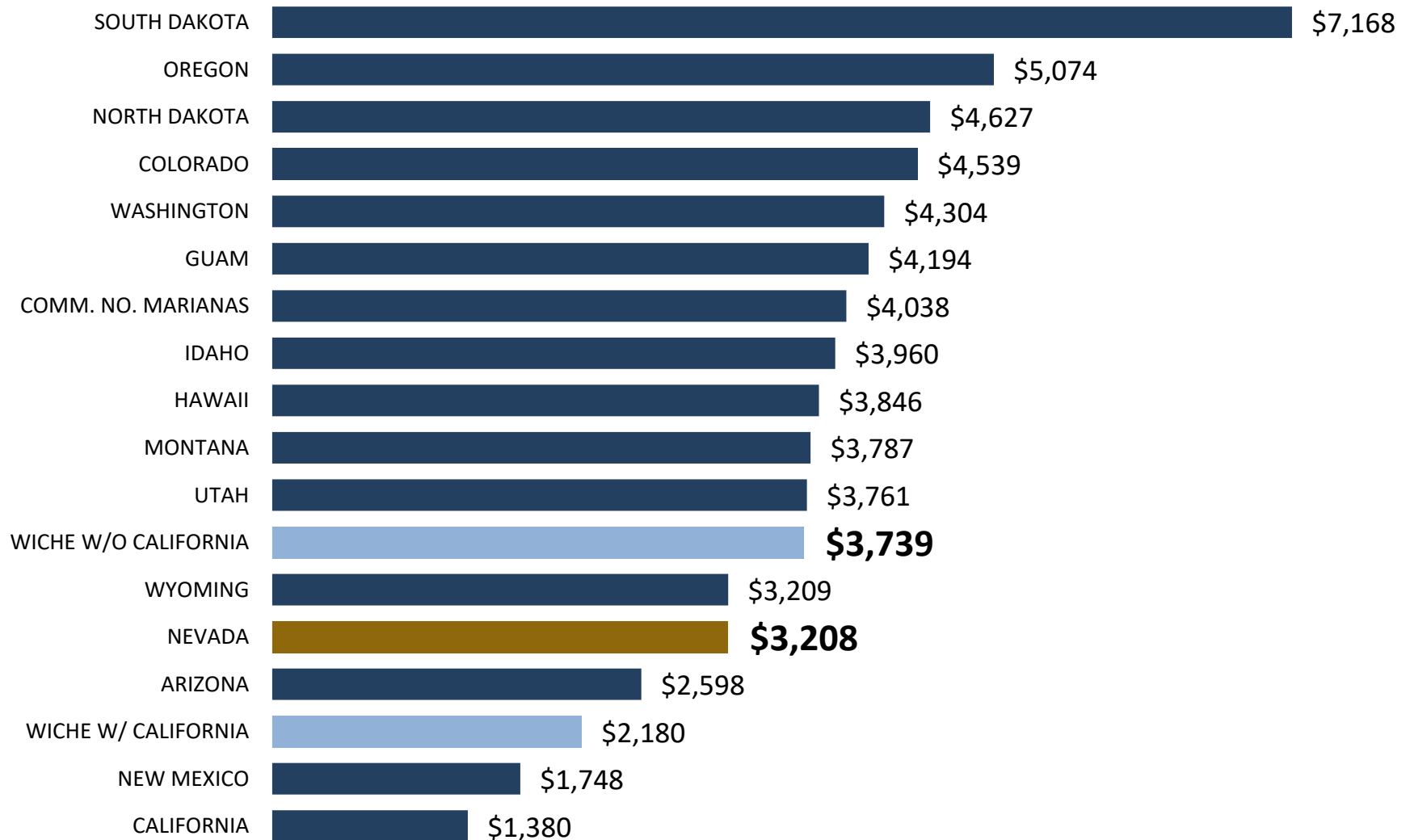
Four-Year Institutions (2017-18)

Resident Undergraduate Tuition and Fees

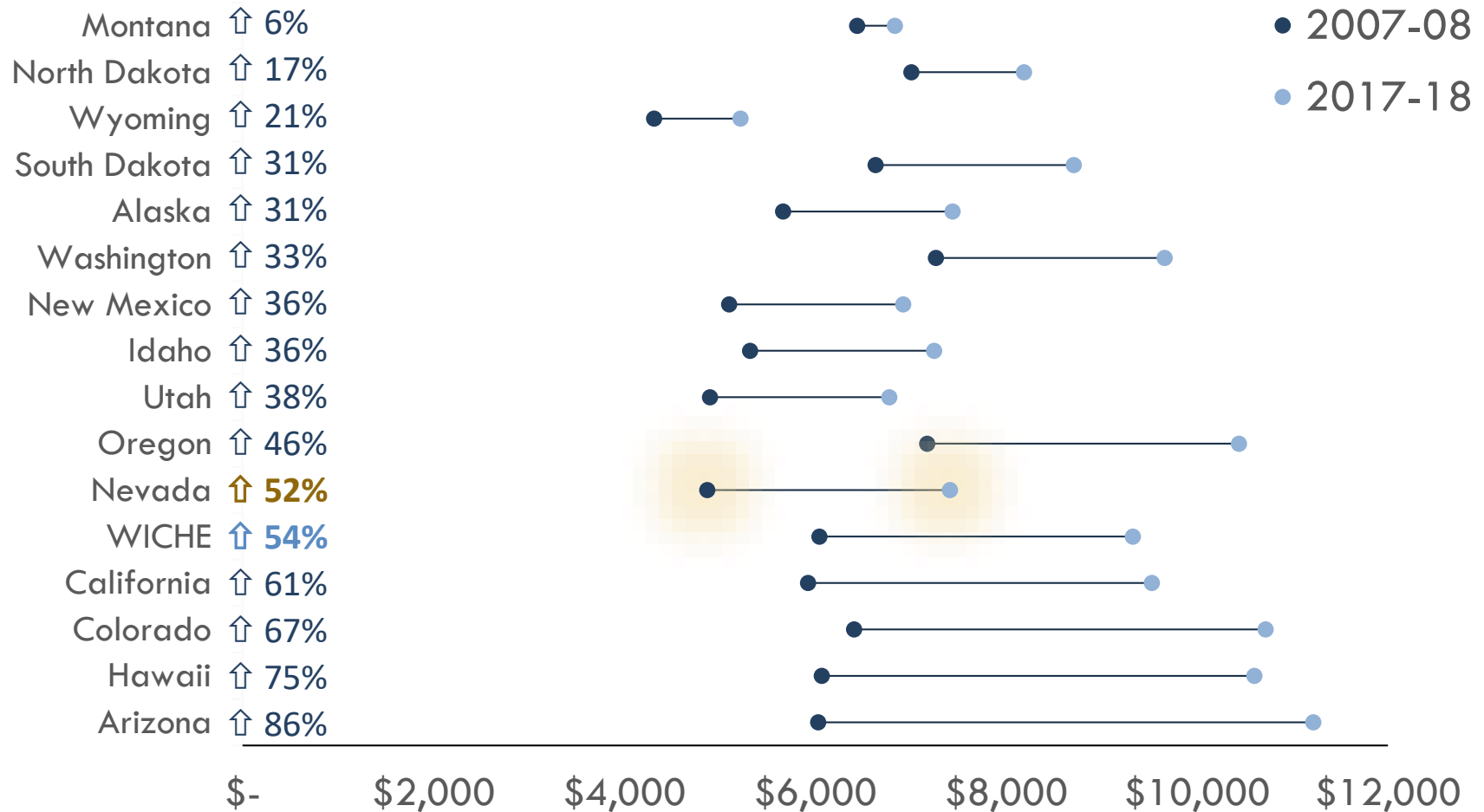


Two-Year Institutions (2017-18)

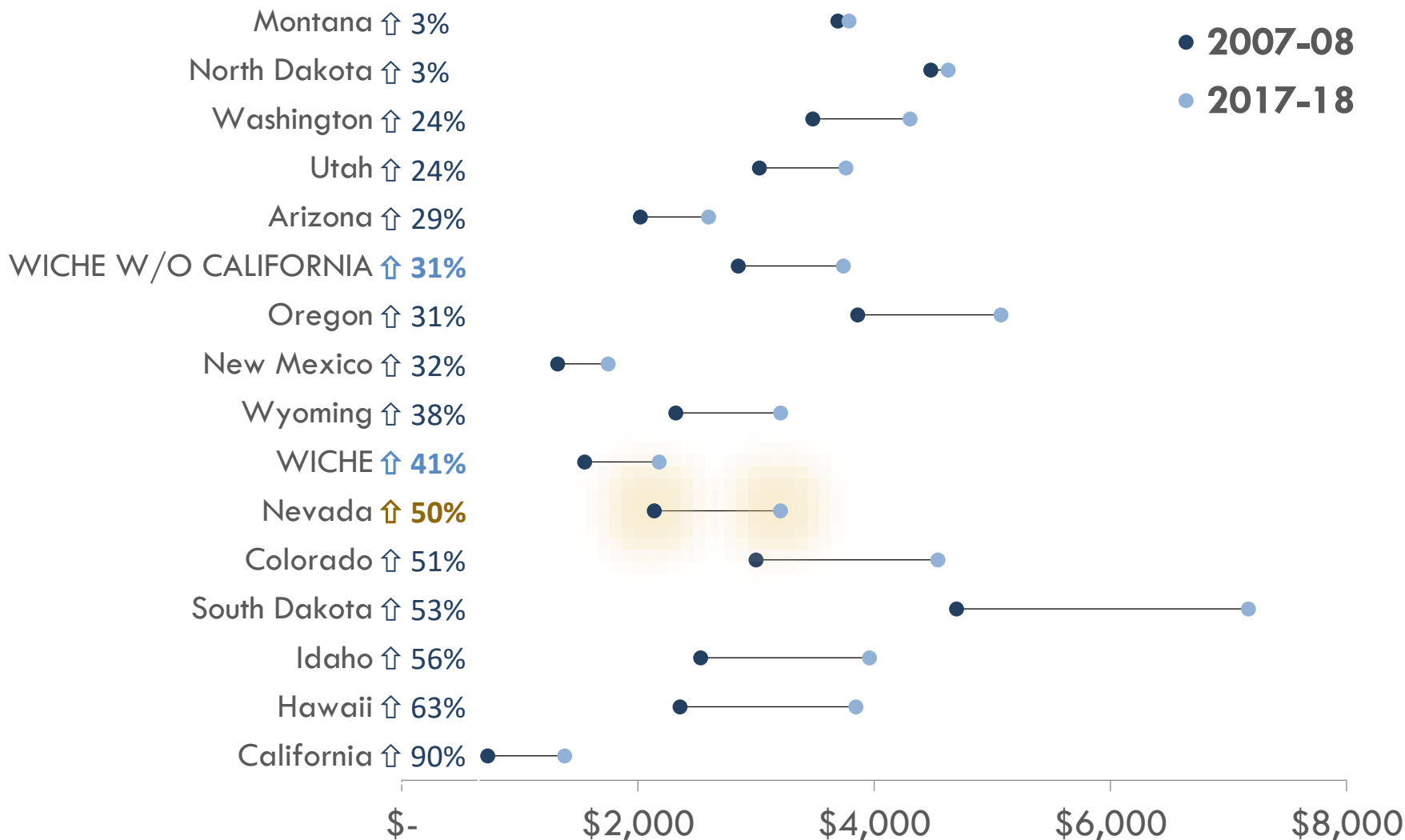
Resident Undergraduate Tuition and Fees



Change in Resident Undergraduate Tuition and Fees Four-Year Institutions (2007-2017)



Change in Resident Undergraduate Tuition and Fees Two-Year Institutions (2007-2017)



Affordability

Considerations

Beyond Tuition & Fees – Net Price



Cost of Attendance

- Institution Sector
- Credential type
- Local cost of living
- Additional expenses

Financial Aid

- Federal
- State
- Institutional
- Other

Beyond Cost - Ability to Pay



Student

+

Family

Debt

Earnings

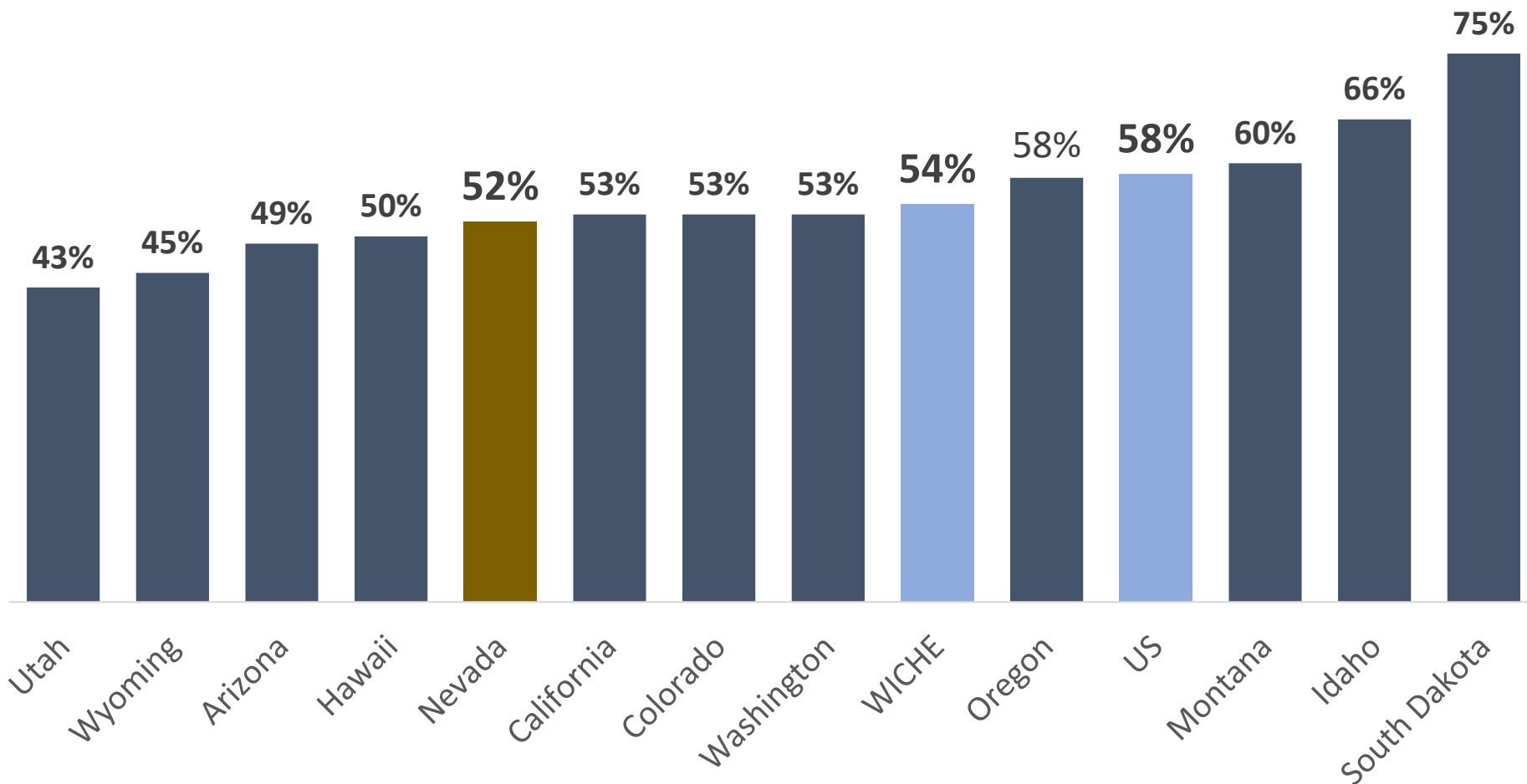
Savings

**Expected
Earnings**

**Likelihood of
Completion**

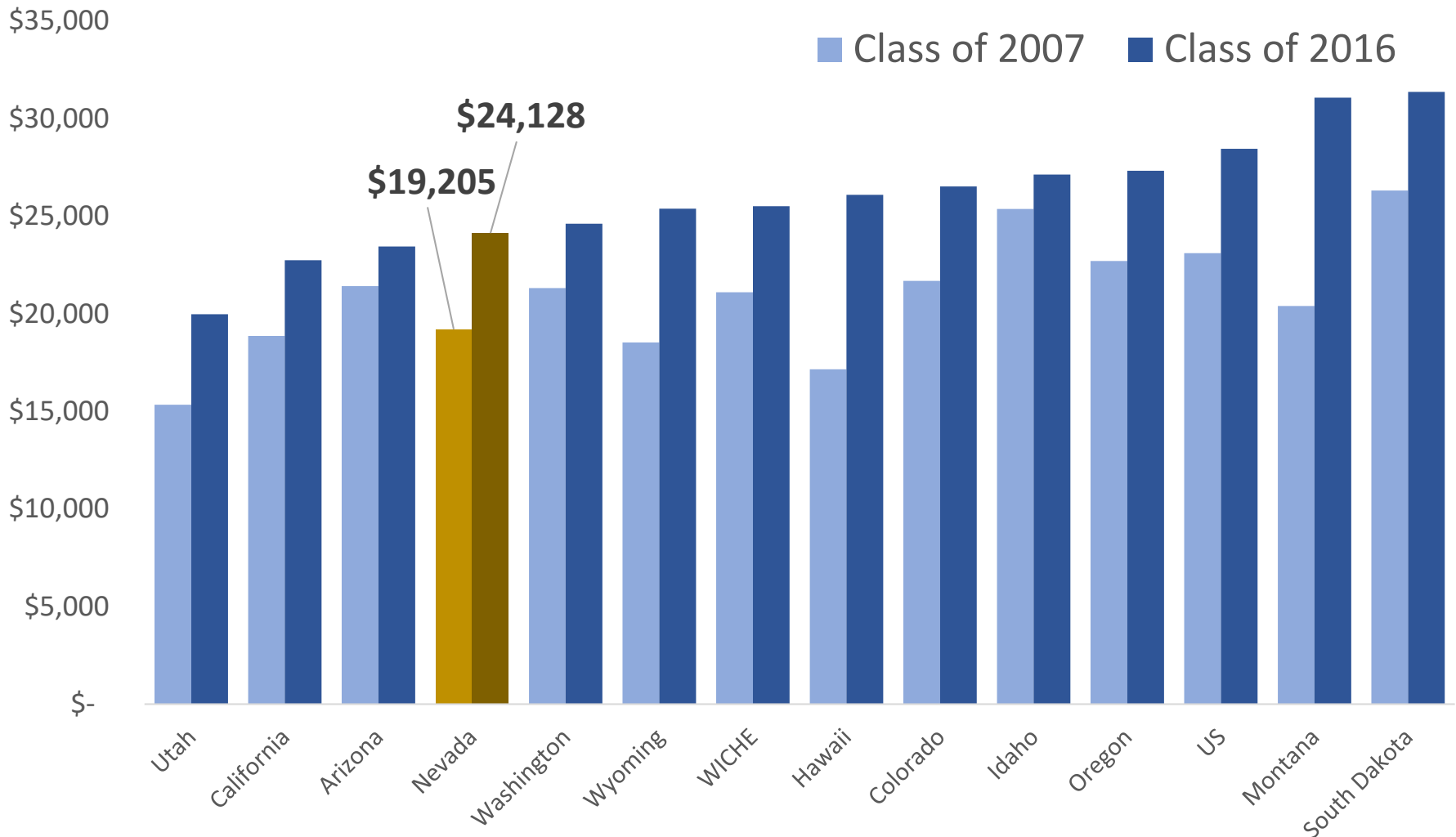
Debt Burden

Percent of Class of 2016 Bachelor's Recipients with Debt



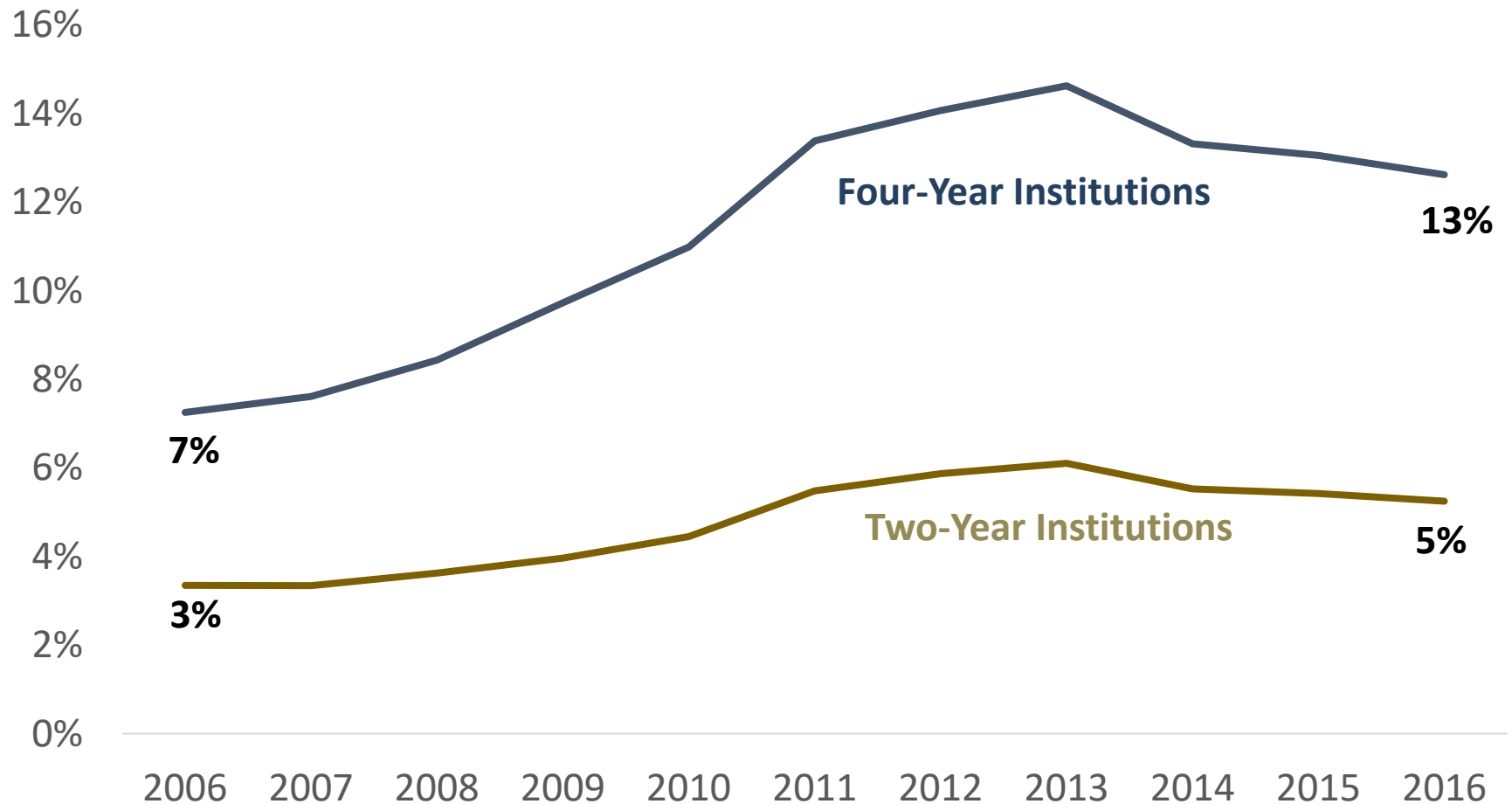
Debt Burden

Average Loan Amount for Bachelor's Recipients, 2007 vs. 2016

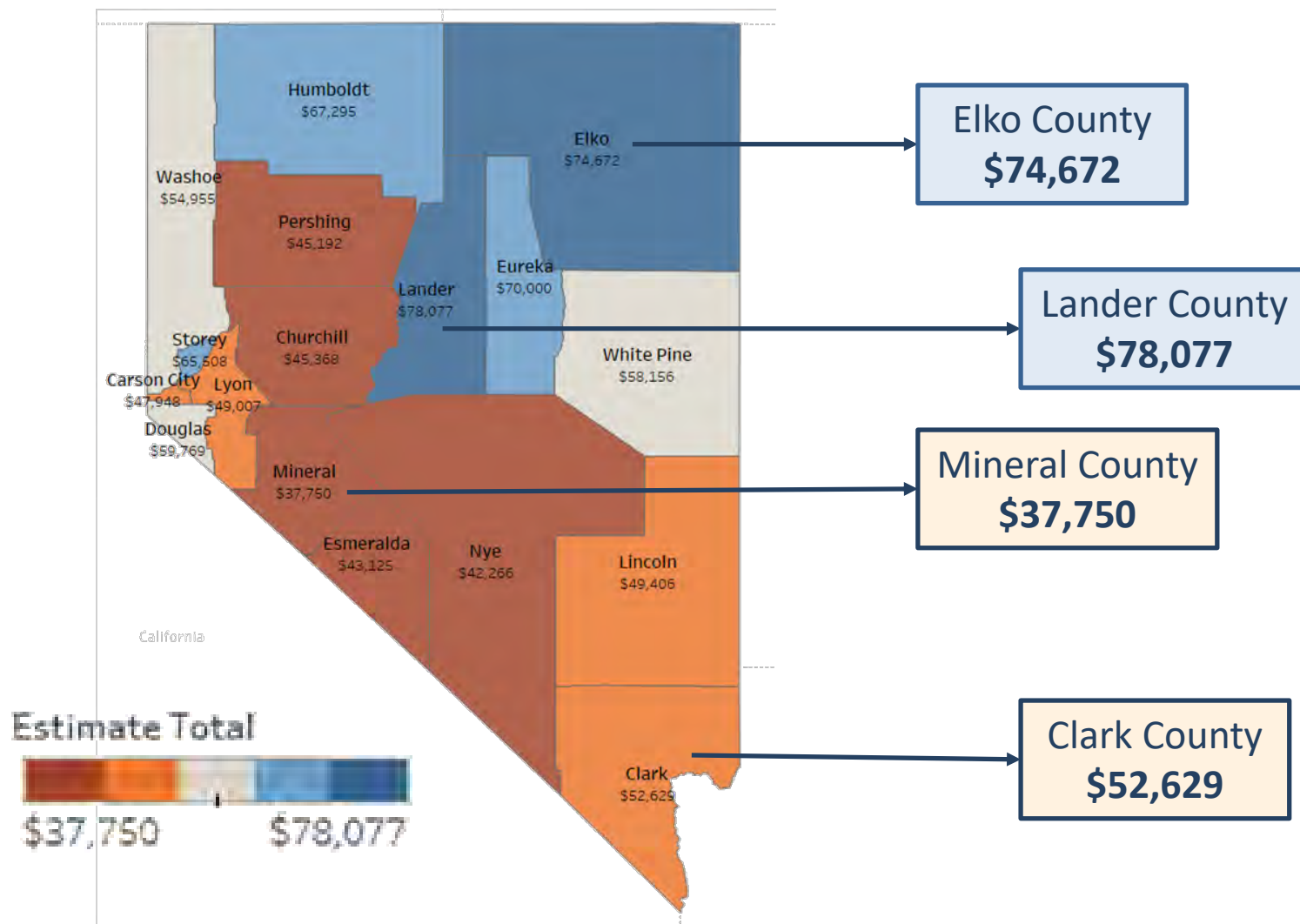


Adapted from The Institute for College Access and Success, "Project on Student Debt," <http://www.ticas.org/posd/map-state-data-2015#>. Adjusted to 2016 Dollars using CPI downloaded from: <https://data.bls.gov/pdq/SurveyOutputServlet>

Resident Undergraduate Tuition and Fees at Nevada Public Institutions as a Percent of the Median Household Income in Nevada



Nevada Median Household Income by County, 2016



Affordability

Definitions

Rule of 10 – Lumina Foundation



*Excludes lowest-income families

For example: a four-year, full-time student from Clark County



Family of 3 – Annual Income \$52,629 (Clark County Median Income)

Family Savings = 10% discretionary income over 10 years = \$11,069 total

Student Earnings = 10 hours per week, \$8.25 minimum wage = \$4,125 per year

Affordable Net Price = \$6,892 per year

Net Price Relative to Family Income – Institute for Research on Higher Education

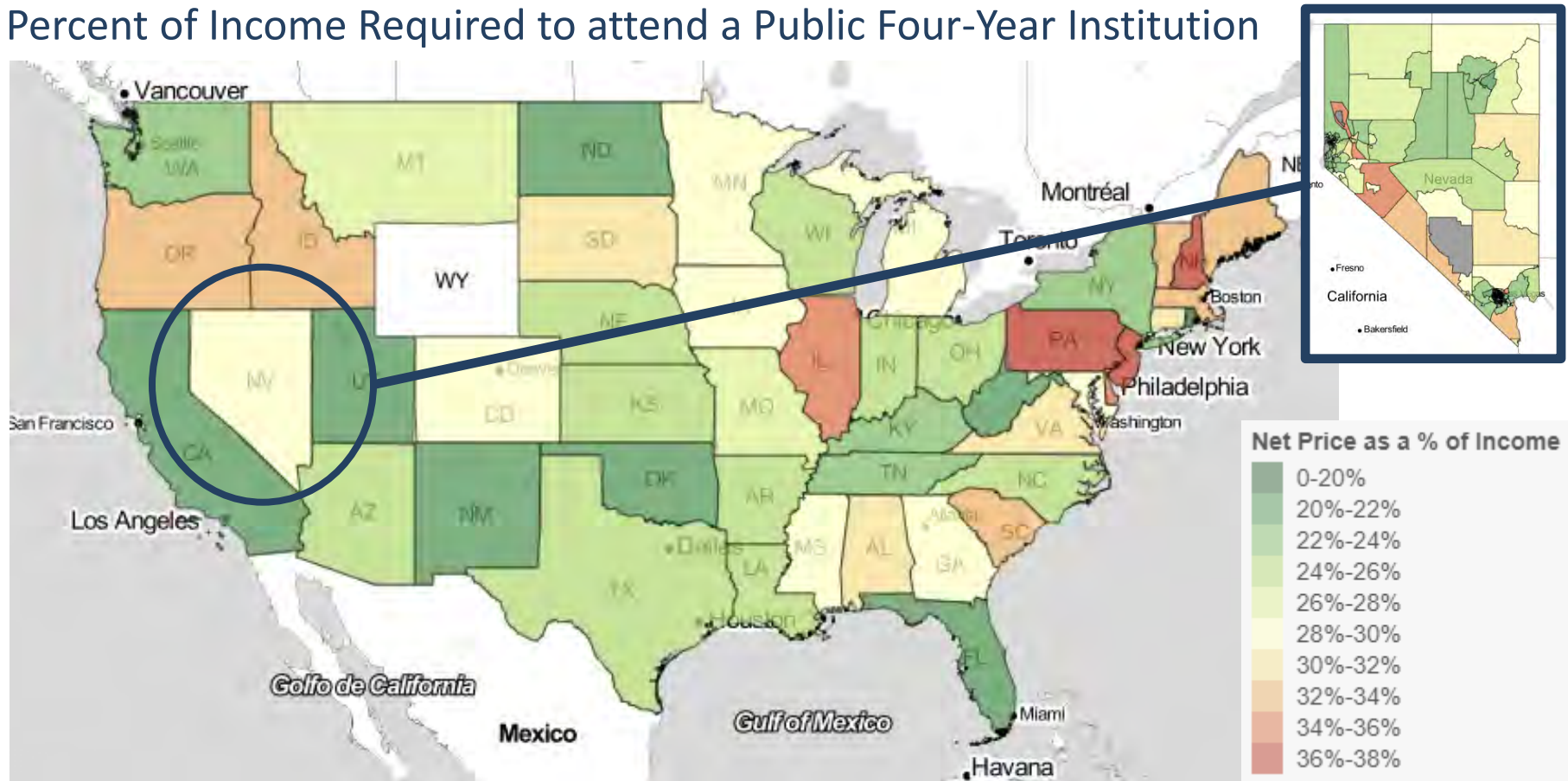
Net Price = Tuition + Fees + Room and Board + Books –
Financial Aid (Federal, State, Institutional)

Institution Type	Income level	% Family Income Needed to Attend Full-Time in Nevada (2013*)
Public Two-Year (52% of enrollment)	\$0 – \$30,000	39%
	\$30,000 – \$48,000	18%
	\$48,000 – \$75,000	16%
	\$75,000 – \$110,000	13%
	\$110,000 and above	7%
Public Research (44% of enrollment)	\$0 – \$30,000	65%
	\$30,000 – \$48,000	31%
	\$48,000 – \$75,000	25%
	\$75,000 – \$110,000	18%
	\$110,000 and above	9%

*Prior to implementation of the Silver State Opportunity Grant

Net Price Relative to Family Income – Institute for Research on Higher Education

Percent of Income Required to attend a Public Four-Year Institution

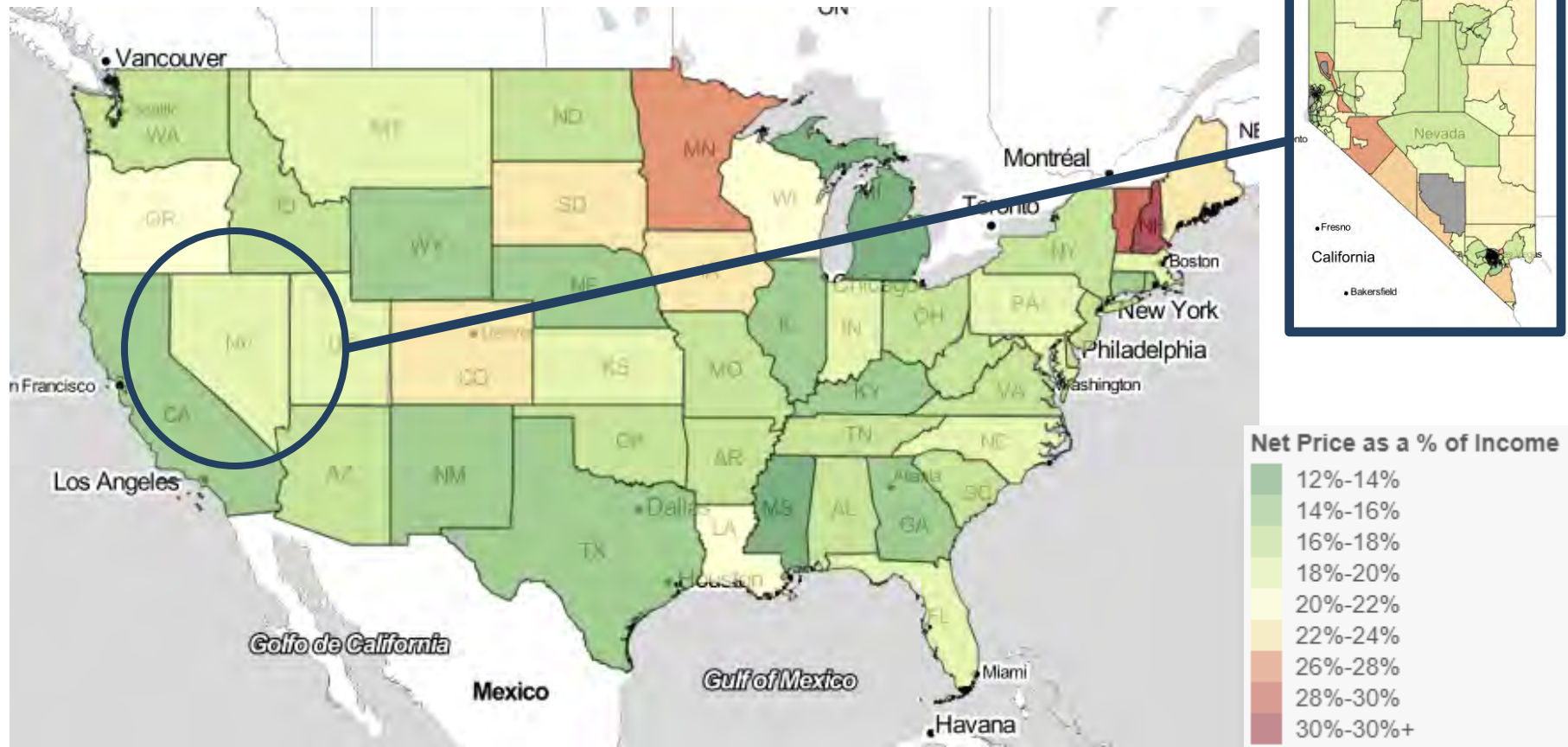


Source: Institute for Research on Higher Education. (2016). College Affordability Diagnosis. Philadelphia, PA: Institute for Research on Higher Education, Graduate School of Education, University of Pennsylvania.

https://peabody.vanderbilt.edu/research/studies/affordability/maps_cc.php

Net Price Relative to Family Income – Institute for Research on Higher Education

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“Affordability Gaps”- National College Access Network

Affordability is when:

Cost of attendance + \$300 = Grants (Federal, State, Institutional) + Federal Loans + Expected Family Contribution + Student Earnings

Affordability Gaps in Nevada

For the average in-state, Pell recipient attending a four-year public institution

Affordability Gap (On-Campus, No Summer Work)	\$4,325
Affordability Gap (On-Campus, Summer Work)	\$365
Affordability Gap (Off-Campus, No Summer Work)	\$5,274
Affordability Gap (Off-Campus, Summer Work)	\$1,314

Three Key Takeaways

- The cost of higher education in Nevada is relatively low compared to the rest of the region.
- Yet the cost of higher education is rising more rapidly than increases in household income, and net price has greatly varying impacts on different students.
- This leads to serious and important questions about the *affordability* of higher education for many of Nevada's students, however the term is defined.

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