Student Aid and Debt Presentation

Regents Finance Committee
January 27, 2023
Amidst all of the discussion around student debt levels, the fact remains: a college education pays off and is an investment worth making.

**National Student Loan Debt**

$1.62 Trillion

Includes all outstanding balances for federal and private student loans processed through financial aid, plus accrued interest.

- 50% of outstanding student loan debt is from graduate students.
- Only 8% of outstanding debt comes from private loans.
- Default rates are much lower for those who earn credentials.
- Non-completers are more likely to default on student loans than completers.

Source: U.S. Department of Education
On average, Bachelor's degree recipients earn $1.5 million more than High School graduates over the course of their career.

Higher Average Annual Earnings
Higher Average Annual Earnings

Note: Does not include possible earnings while pursuing Bachelor’s degree.

Colorado
Financial Aid History by Source

University of Colorado’s institutional aid has grown by more than 123% since 2011.

From $107.8 million in 2010 to $239.9 million in 2022.
Financial Aid History by Source (in millions)
Changes to Pell Eligible Populations (FY 2012 to FY 2021)

- CU System: -6.8%
- Mines: -26.3%
- CSU System: -54.1%
- Western: -28.7%
- CMU: -33.3%
- UNC: -34.2%
- FLC: -42.0%
- MSU-Denver: -43.2%
- CCCS: -54.1%
- Adams: -54.7%

CU is the only governing board to grow Pell populations since FY 2012.
Changes to Pell Eligible Populations (FY 2012 to FY 2021)

UCCS and CU Denver have the largest growth in Pell populations since FY 2012.
Average Resident Undergraduate Student Debt
Bachelor’s Degree Recipients with Loans

Source: CDHE FY 2018-20, Resident Undergraduates Only
Average Undergraduate Debt Load Upon Graduation (FY 2021)

Source: Colorado Department of Higher Education; includes Federal Direct, Federal Perkins, Federal Other, and private loans.
Resident Undergraduate Student Debt Takeaways

- Roughly half of CU graduates leave CU with debt*
- $2/3 of students who graduate with debt do so with $30,000 or less
- More than 70% of students with a FAFSA receive some type of aid while attending CU

*Varies by campus.
Bachelor’s Degree Recipients Loan Amounts in Colorado (FY 2021)

Source: 2021 Student Loan Data from SURDS from the Colorado Department of Higher Education, public institutions. FY 2021 graduates taking loans in prior 6 years.
Master’s Degree Recipients Loan Amounts in Colorado (FY 2021)

Source: 2020 Student Loan Data from SURDS from the Colorado Department of Higher Education, public institutions. FY 2020 graduates taking loans in prior 6 years.
Student Loan Default Rates

CU default rate is approximately 1.2% Lower* than the state and national average.

Source: U.S. Department of Education

*Under the CARES Act, federal student loan payments, collections on defaulted loans and interest accrual were suspended, as a result default rates are artificially low because there are fewer students included in the analysis. Executive action has continued this benefit through June 2023.
Annual Earnings vs Annual Loan Payment (by Degree)

Social Sciences reports highest earnings, which includes degrees like History, Political Science, Economics and Sociology.

Sources: Average Estimated Annual Earnings based on EMSI analysis for CU System Alum from FY 2010 - FY 2020, Based on full-time employment in field of study and excludes those pursuing additional education; Annual Loan Payment based on average loan from CDHE SURDS (FY 2022) & estimated standard 10 year repayment at 4.0%
Impact of student loan on household budgets decreases over time

Under 25 Years Old

25-34 Years Old

CU Boulder
CU Boulder Resident Undergraduates (FY 2022)

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Number of Students</th>
<th>Student loans, no plus</th>
<th>Parent and student loan</th>
<th>Did not take student loan</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$32,500</td>
<td>1,404</td>
<td>1097</td>
<td>39</td>
<td>39</td>
</tr>
<tr>
<td>$32,500-$59,999</td>
<td>880</td>
<td>58</td>
<td>631</td>
<td>631</td>
</tr>
<tr>
<td>$60,000-$99,999</td>
<td>808</td>
<td>139</td>
<td>776</td>
<td>776</td>
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<tr>
<td>$100,000-$139,999</td>
<td>667</td>
<td>166</td>
<td>591</td>
<td>591</td>
</tr>
<tr>
<td>$140,000+</td>
<td>2,064</td>
<td>1204</td>
<td>306</td>
<td>306</td>
</tr>
<tr>
<td>Did not apply for aid (no income data avail)</td>
<td>6,299</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

In 2022, 71% of resident undergraduate students did not take a loan at CU Boulder. For those that did, the loans are distributed across all income groups.

Source: CU Financial Aid; Does not include private loans; Excludes exclusive parent loans; Number of students not applying for aid based on fall headcount compared to fiscal year financial aid.
CU Boulder Resident Undergraduate Average Financial Assistance (2022, new cohort)

On average, students from households earning less than $60,000 have tuition and fees covered by grants and scholarships.

Source: CU Financial Aid; Does not include private loans; Estimated Cost of Attendance is the average Nine Month Cost of Attendance for selected population. Average tuition applies to incoming cohort only.
CU Boulder Grants Award Distribution by Amount (FY 2022)

<table>
<thead>
<tr>
<th>Amount Range</th>
<th>Number of Students</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>$&lt;1</td>
<td>2,969</td>
<td>27.4%</td>
</tr>
<tr>
<td>$1-$2,500</td>
<td>1,118</td>
<td>10.3%</td>
</tr>
<tr>
<td>$2,501-$5,000</td>
<td>1,409</td>
<td>13.0%</td>
</tr>
<tr>
<td>$5,001-$7,500</td>
<td>927</td>
<td>8.6%</td>
</tr>
<tr>
<td>$7,501-$10,000</td>
<td>751</td>
<td>6.9%</td>
</tr>
<tr>
<td>$10,001-$12,500</td>
<td>494</td>
<td>4.6%</td>
</tr>
<tr>
<td>Greater than $12,500</td>
<td>3,162</td>
<td>29.2%</td>
</tr>
</tbody>
</table>

Source: CU Financial Aid; Resident, undergraduate students, with FAFSA on file. Includes all grants, scholarships and work-study awards. Excludes loans.
CU Denver Resident Undergraduates (FY 2022)

In 2022, 66% of resident undergraduate students did not take a loan at CU Denver. For those that did, the loans are distributed across all income groups.

Source: CU Financial Aid; Does not include private loans; Excludes exclusive parent loans; Number of students not applying for aid based on fall headcount compared to fiscal year financial aid.
CU Denver Resident Undergraduate Average Financial Assistance (FY 2022)

Source: CU Financial Aid; Does not include private loans; Estimated Cost of Attendance is the average Nine Month Cost of Attendance for selected population. Average tuition applies to incoming cohort only.
CU Denver Grants Award Distribution by Amount (FY 2022)

- $1 or less: 1,511 students (20.5%)
- $1-$2,500: 1,325 students (18.0%)
- $2,501-$5,000: 907 students (12.3%)
- $5,001-$7,500: 803 students (10.9%)
- $7,501-$10,000: 523 students (7.1%)
- $10,001-$12,500: 621 students (8.4%)
- Greater than $12,500: 1,682 students (22.8%)

Source: CU Financial Aid; Resident, undergraduate students, with FAFSA on file. Includes all grants, scholarships and work-study awards. Excludes loans.

Colorado resident undergraduate students with a FAFSA receive some type of aid while attending CU Denver.

More than 80% receive enough to cover tuition and fees at CU Denver.

More than 23%
UCCS Resident Undergraduates (FY 2022)

- In 2022, 61% of resident undergraduate students did not take a loan at UCCS.
- For those that did, the loans are distributed across all income groups.

Source: CU Financial Aid; Does not include private loans; Excludes exclusive parent loans; Number of students not applying for aid based on fall headcount compared to fiscal year financial aid.
UCCS Resident Undergraduate Average Financial Assistance (FY 2022)

FY 22 Estimated Cost of Attendance $26,716

- $14,525
- $15,916
- $19,455
- $21,215
- $21,741

Source: CU Financial Aid; Does not include private loans; Estimated Cost of Attendance is the average Nine Month Cost of Attendance for selected population. Average tuition applies to incoming cohort only.
UCCS Grants Award Distribution by Amount (FY 2022)

- More than 70% of Colorado resident undergraduate students with a FAFSA receive some type of aid while attending UCCS.
- More than 23% receive enough to cover tuition and fees at UCCS.

Source: CU Financial Aid; Resident, undergraduate students, with FAFSA on file. Includes all grants, scholarships and work-study awards. Excludes loans.
Closing the Cost Gap

Ways to Reduce Cost

Other Means
- Part-time work
- College savings plans
- Parent or private loans
- Credit cards

Transfer credit
(high school concurrent, competency testing, other college)

Remain on parents’ health insurance plan

Boost credit load
(more than 12 per term or summer school)

Apply for scholarships

Cut back on personal expenses
(use alternative transport)

Live with family or with multiple roommates

Meet with advisors to track degree progress

University of Colorado
Boulder | Colorado Springs | Denver | Anschutz Medical Campus
Out-of-pocket tuition and fee increases were mitigated for many low and middle income students.

Of all resident, undergraduate students system-wide:

- **34%** took federal student loans in FY 2022
- **5%** had parent loans in FY 2022

On average, **CU students have a loan default rate of 1.2%**. Default rates are artificially low due the student loan repayment pause.
Additional Information

For more information about affordability and student financial aid, including:

• Tuition and Fees
• Institutional Aid
• Student loans
• Out of Pocket Costs
• Average Cost of Attendance
• Alumni Earnings
• Links to other resources

Visit our website at cu.edu/affordability
Appendix
CU Boulder Resident Undergraduate Average Financial Assistance (2021, new cohort)

<table>
<thead>
<tr>
<th>Income Level</th>
<th>Average Tuition and Fees</th>
<th>Estimated Cost of Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$32,500</td>
<td>$12,466</td>
<td>$30,419</td>
</tr>
<tr>
<td>$32.5K-$59,999</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$60,000-$99,999</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$100,000-$139,999</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$140,000+</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: CU Financial Aid; Does not include private loans; Estimated Cost of Attendance is the average Nine Month Cost of Attendance for selected population. Average tuition applies to incoming cohort only.
CU Boulder Resident Undergraduate Average Financial Assistance (2020 cohort)

Source: CU Financial Aid; Does not include private loans; Estimated Cost of Attendance is the average Nine Month Cost of Attendance for selected population. Average tuition applies to incoming cohort only.
CU Boulder Resident Undergraduate Average Financial Assistance (2019 cohort)

FY 21 Estimated Cost of Attendance $29,887

FY 21 Average Tuition and Fees $12,532

Source: CU Financial Aid; Does not include private loans; Estimated Cost of Attendance is the average Nine Month Cost of Attendance for selected population. Average tuition applies to incoming cohort only.
CU Boulder Resident Undergraduate Average Financial Assistance (2018 cohort)

FY 21 Estimated Cost of Attendance $29,279
FY 21 Average Tuition and Fees $12,086

Source: CU Financial Aid; Does not include private loans; Estimated Cost of Attendance is the average Nine Month Cost of Attendance for selected population. Average tuition applies to incoming cohort only.
CU Boulder Resident Undergraduate Average Financial Assistance
(2017 cohort)

Source: CU Financial Aid; Does not include private loans; Estimated Cost of Attendance is the average Nine Month Cost of Attendance for selected population. Average tuition applies to incoming cohort only.