

# Report to the Council on Postsecondary Education

The Association of Independent  
Kentucky Colleges and Universities

September 28, 2008



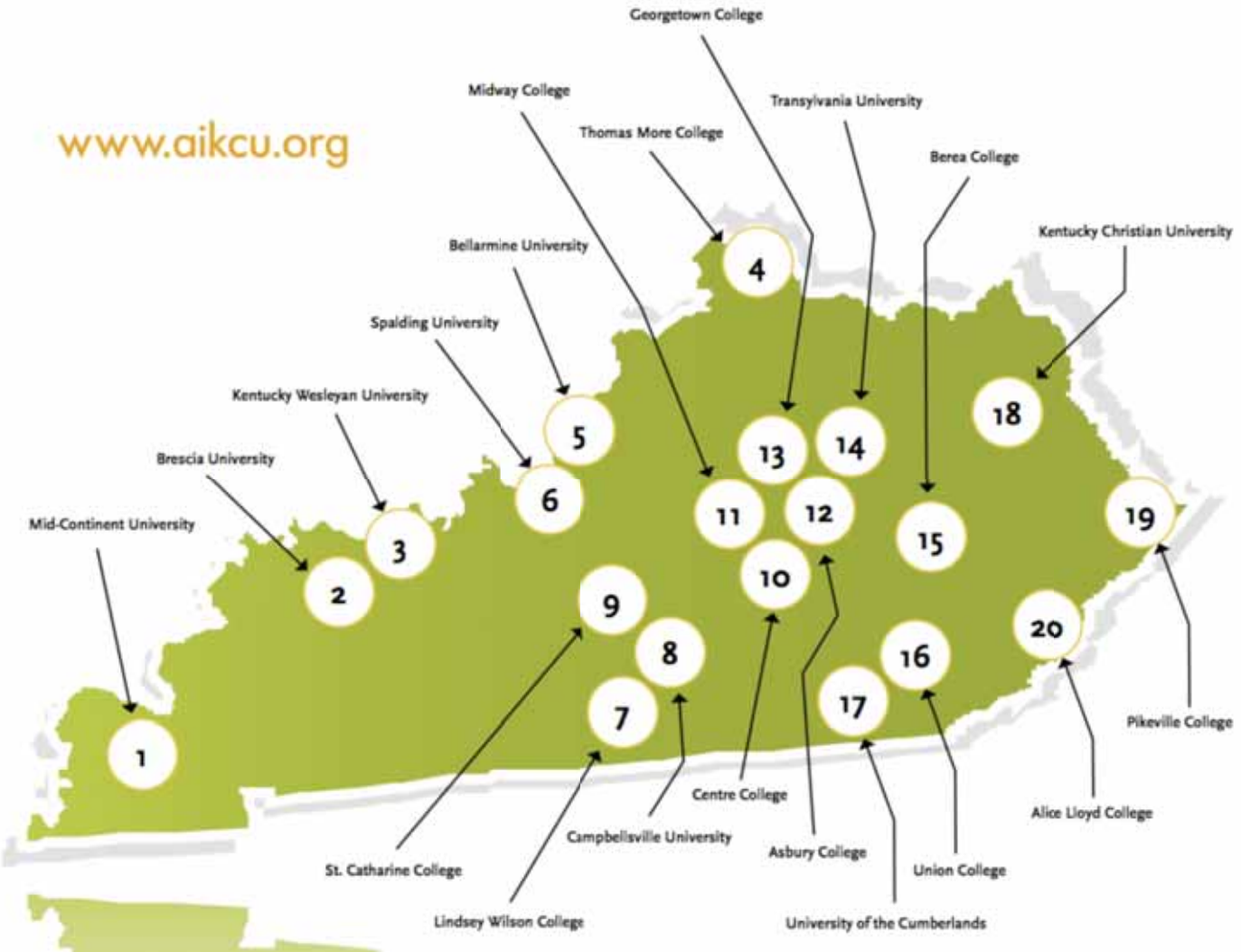
**AIKCU**

Association of Independent  
Kentucky Colleges & Universities

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# 20 nonprofit, independent colleges and universities



# Kentucky's 20 independent colleges and universities

- All accredited by the Southern Association of Colleges and Schools (SACS). Meet the same rigorous quality standards as KY's public colleges and universities.
- 29,000+ total students. 75% Kentucky residents.
- Diverse campuses, missions and student bodies. Provide critical choices and access to postsecondary opportunities. Locations from Pikeville to Mayfield and beyond via traditional campuses, extended sites, KCTCS and business partnerships, distance learning, and study abroad.
- Committed to Double the Numbers with sector-wide 2020 goals. Only independent college association in the country formally committed to statewide postsecondary plan.
- Regional and local stewards.



# Accountable

- To the Commonwealth. Kentucky is one of only a handful of states where independent colleges participate in state unit record data collection.
- To students, parents, and consumers. Many campuses participating in U-CAN, the national voluntary consumer information initiative.
- To SACS, EPSB, and to various programmatic accrediting bodies.



# Committed to affordability

- Average tuitions 1/3 less than national private college average and 1/4 less than Southern average. 2008-09 average tuition and fees = \$17,256.
- Average annual tuition increases historically between 6-7%. This year's average tuition increase just over 6%.
- Working aggressively to control costs through partnerships, greater efficiencies, and innovations.
- Serving high need students. 40% of undergraduates qualify for Pell Grants.
- Three-legged student financial aid partnership (State Aid + Federal Aid + Institutional/Private Aid) is working. Institutions are largest source of aid for students.
- Timely graduation means quicker entry into workforce or graduate/professional school; fewer tuition payments and less foregone income.
- Low average debt at graduation.



# Collaborating for cost containment

- Several campuses participating in AIKCU Benefit Trust, self-funded health insurance program.
- AIKCU has developed 27 active business partnerships to help hold down costs for campuses - in everything from technology to office products to recycling services to instructional resources.

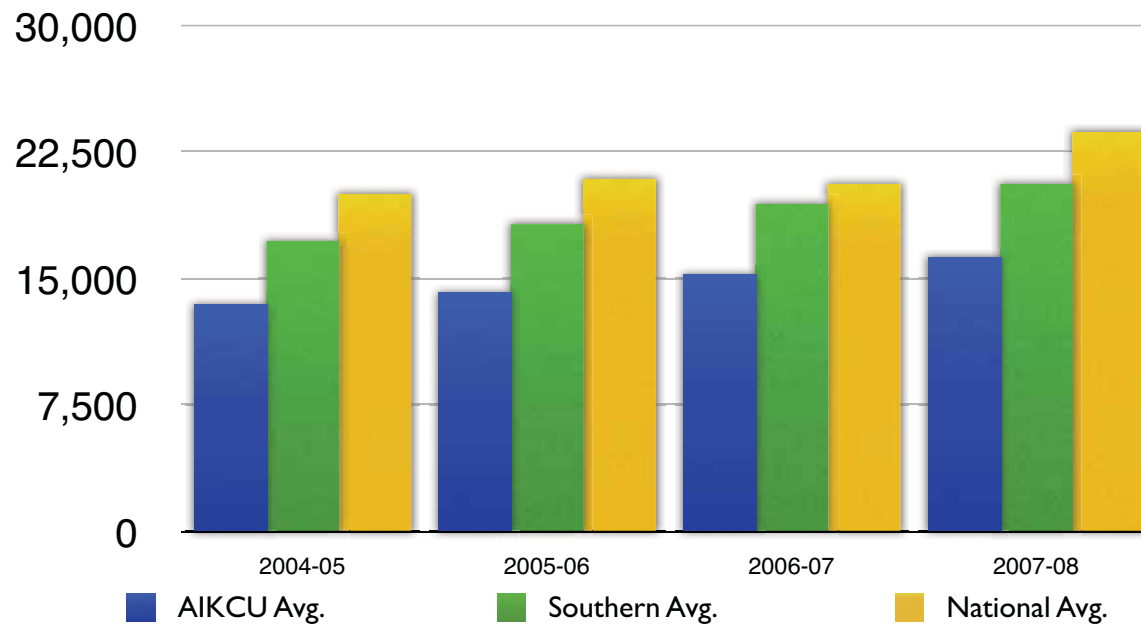


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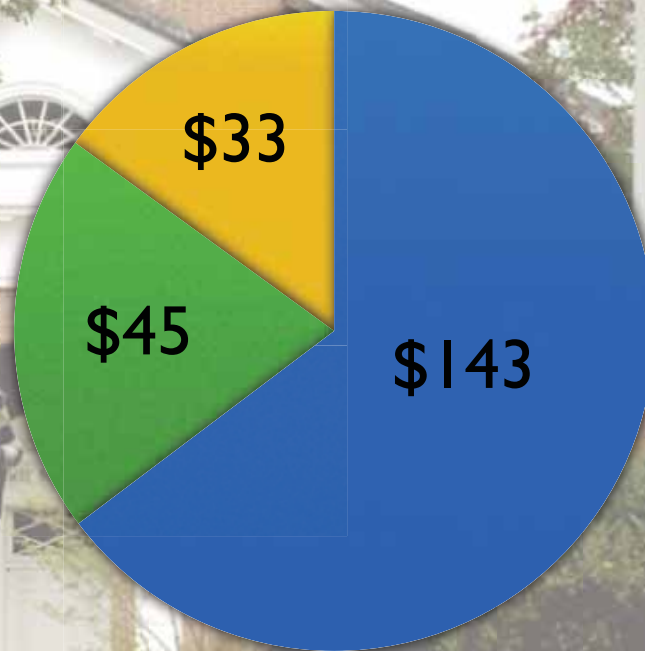
# Low Tuition

Average AIKCU tuition is 1/3 lower than national private college average;  
1/4 lower than Southern private college average.



2008-09 Average Tuition and Fees = \$17,256  
Average Tuition Increase = 6.1%

# Total aid to AIKCU students by source (in millions), 2005-06



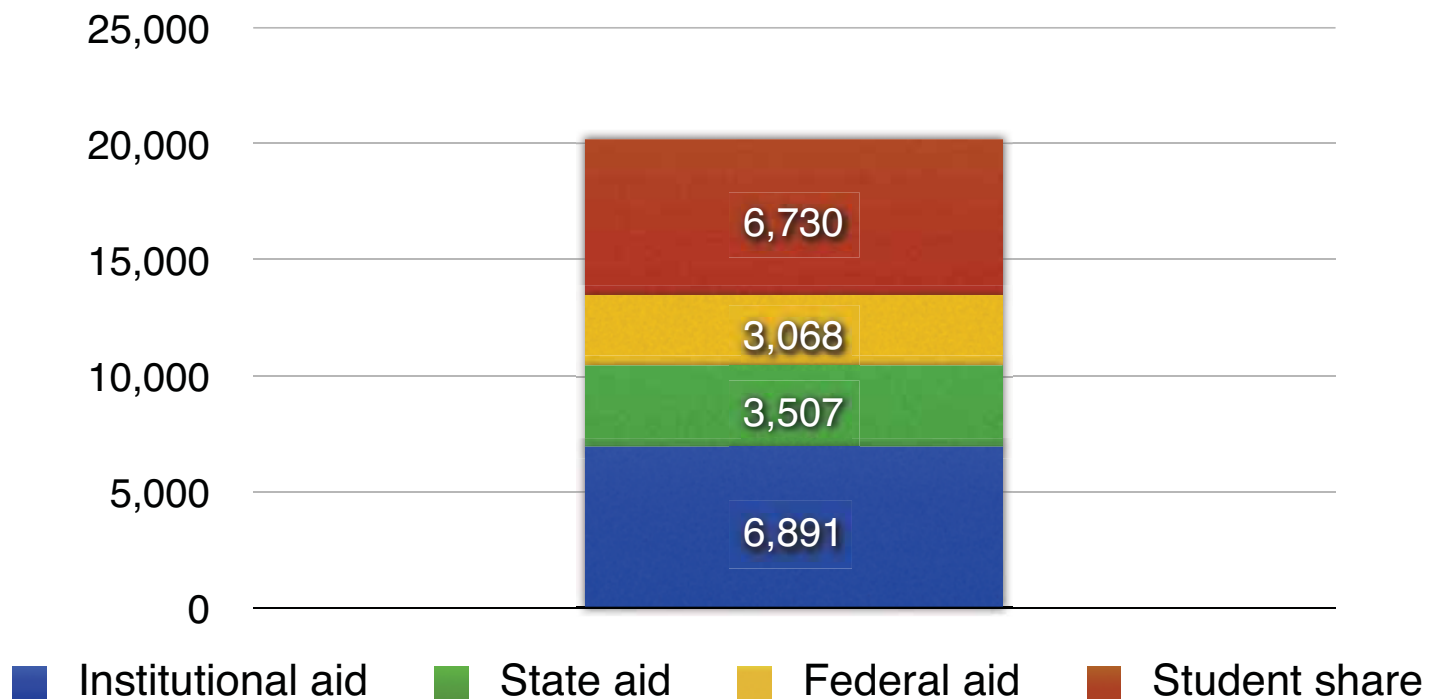
● Institutional aid    ● State aid    ● Federal aid

Sources: Institutional and Federal aid = IPEDS Finance 2005-06; State = KHEAA

# Average financial aid awards by source relative to estimated cost of attendance, 2005-06

2005-06 Average Tuition = \$14,196

Estimated Average Room and Board = \$6,000



Sources: Aid Data: IPEDS, 2005-06. First-time, full-time student cohort. Tuition: AIKCU 2005-06 Tuition/Fees Survey. Avg. 2005-06 Tuition = \$14,196

# Average Debt of Graduates, 2006



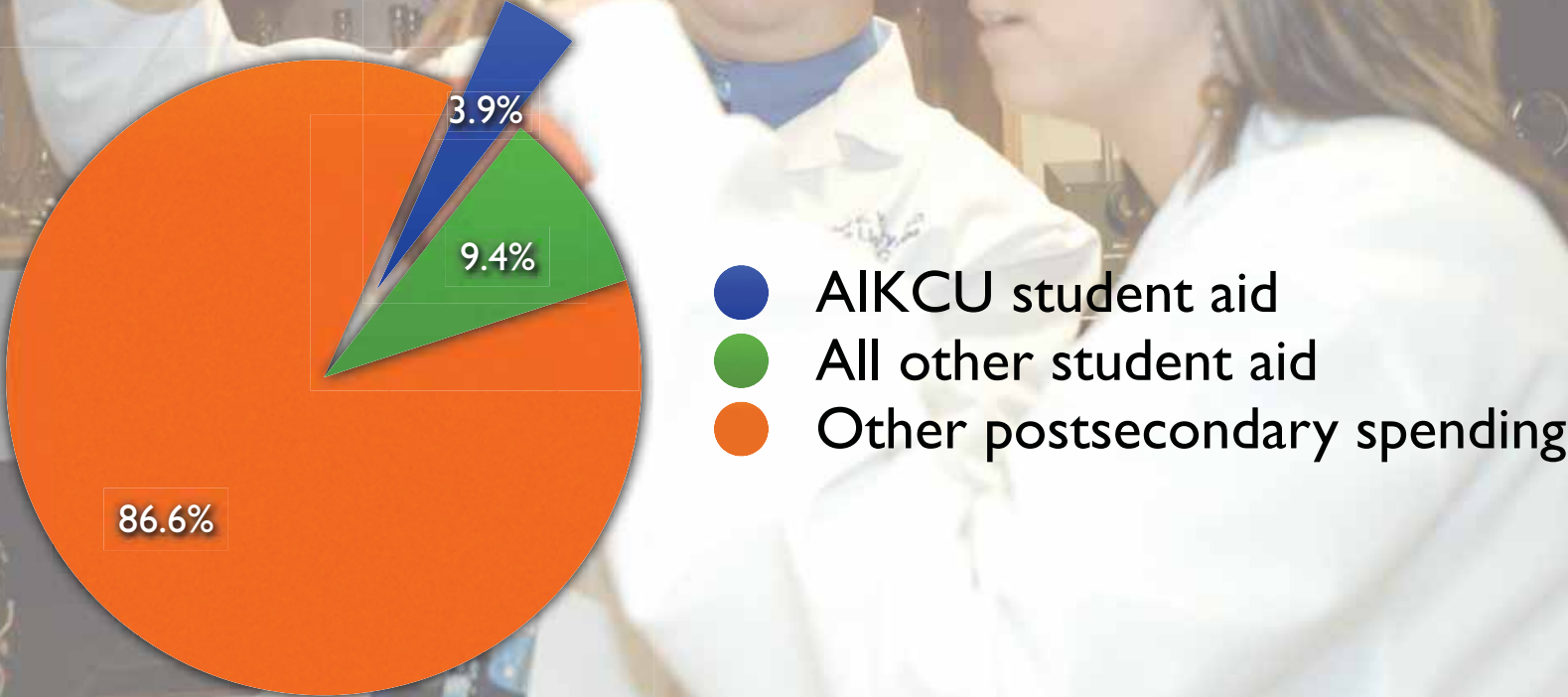
Source: ProjectOnStudentDebt.org. Debt data as reported by campuses to *Peterson's Undergraduate Financial Aid and Undergraduate Databases*. 17 of 20 AIKCU campuses and 7 of 8 Kentucky public university campuses reporting data.

# Kentucky's investment in AIKCU students, 2007-08

| Program  | Description  | Purpose  | Awards | Total Amount | Average Award |
|--|--|--|--------|--------------|---------------|
| College Access Program (CAP)                       | <ul style="list-style-type: none"> <li>• Financial need; tied to Pell Grant eligibility</li> <li>• At least half-time student</li> </ul>                     | <ul style="list-style-type: none"> <li>• Assist low income students</li> </ul>   | 5,823  | \$9,522,895  | \$1,635       |
| Kentucky Tuition Grant (KTG)                       | <ul style="list-style-type: none"> <li>• Financial need</li> <li>• Full-time independent college student</li> </ul>  | <ul style="list-style-type: none"> <li>• Assist low/moderate income students attending independent colleges</li> <li>• Recognize cost-effective role independent colleges play in educating Kentucky students</li> </ul> | 10,921 | \$28,762,516 | \$2,634       |
| Kentucky Educational Excellence Scholarship (KEES) | <ul style="list-style-type: none"> <li>• Graduate of KY HS or GED program</li> <li>• HS GPA of 2.5 or better</li> <li>• ACT score of 15 or better</li> </ul> | <ul style="list-style-type: none"> <li>• Reward academic achievement</li> <li>• Retain Kentucky's best students</li> </ul>   | 9,404  | \$15,147,781 | \$1,611       |

Preliminary unaudited figures, courtesy of KHEAA

**Kentucky's investment in AIKCU students is less than 4% of total state postsecondary spending**



# Return on Investment

- 22% of Kentucky's bachelor's degrees.
- Campuses provide more than \$1.1 billion in educational facilities.
- 100,000 alumni in Kentucky generate \$4 billion in annual earnings and \$416 million in state tax revenues.
- Combined total annual economic impact of more than \$1.4 billion. Responsible for creating more than 12,000 jobs in Kentucky.



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**\$0 =** Cost to Commonwealth to educate  
7,200+ out-of-state students

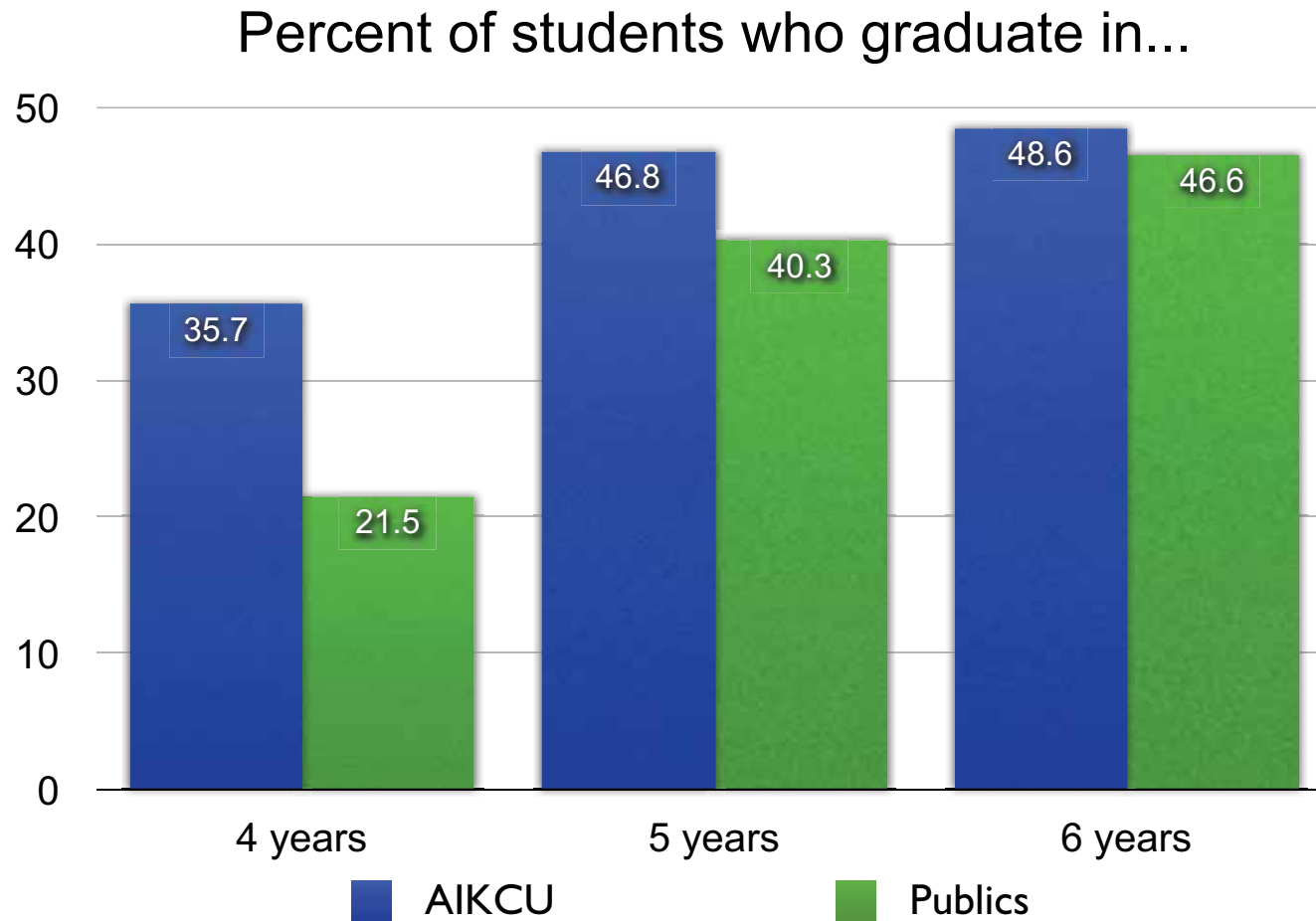
“9 month tourists”...

Contribute to local  
economies throughout  
the academic year.

Many stay in Kentucky  
after they graduate.

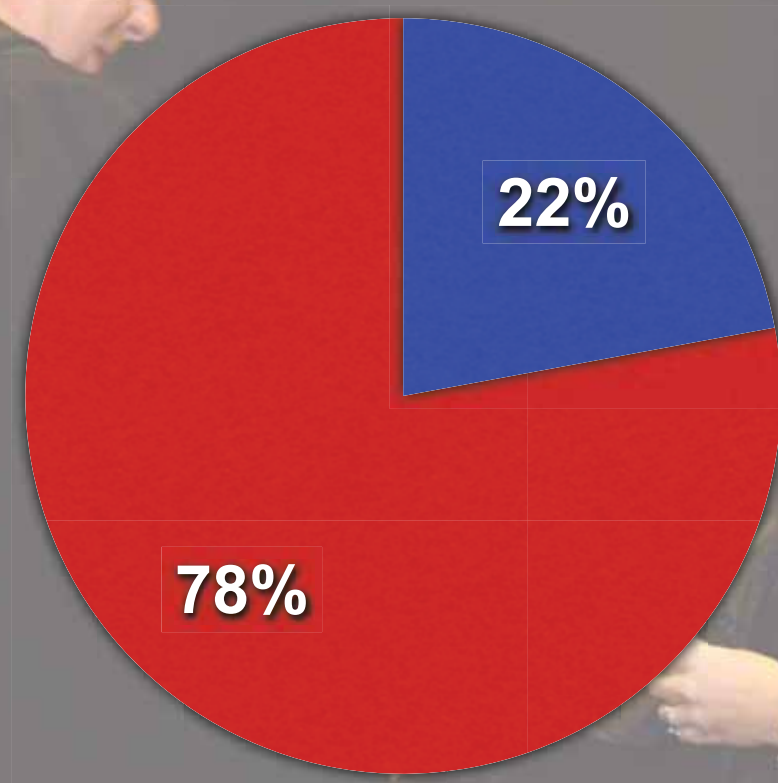


# Timely graduation



Source: IPEDS, Fall 2000 GRS Revised Cohort of first-time, full-time bachelor's degree seeking students

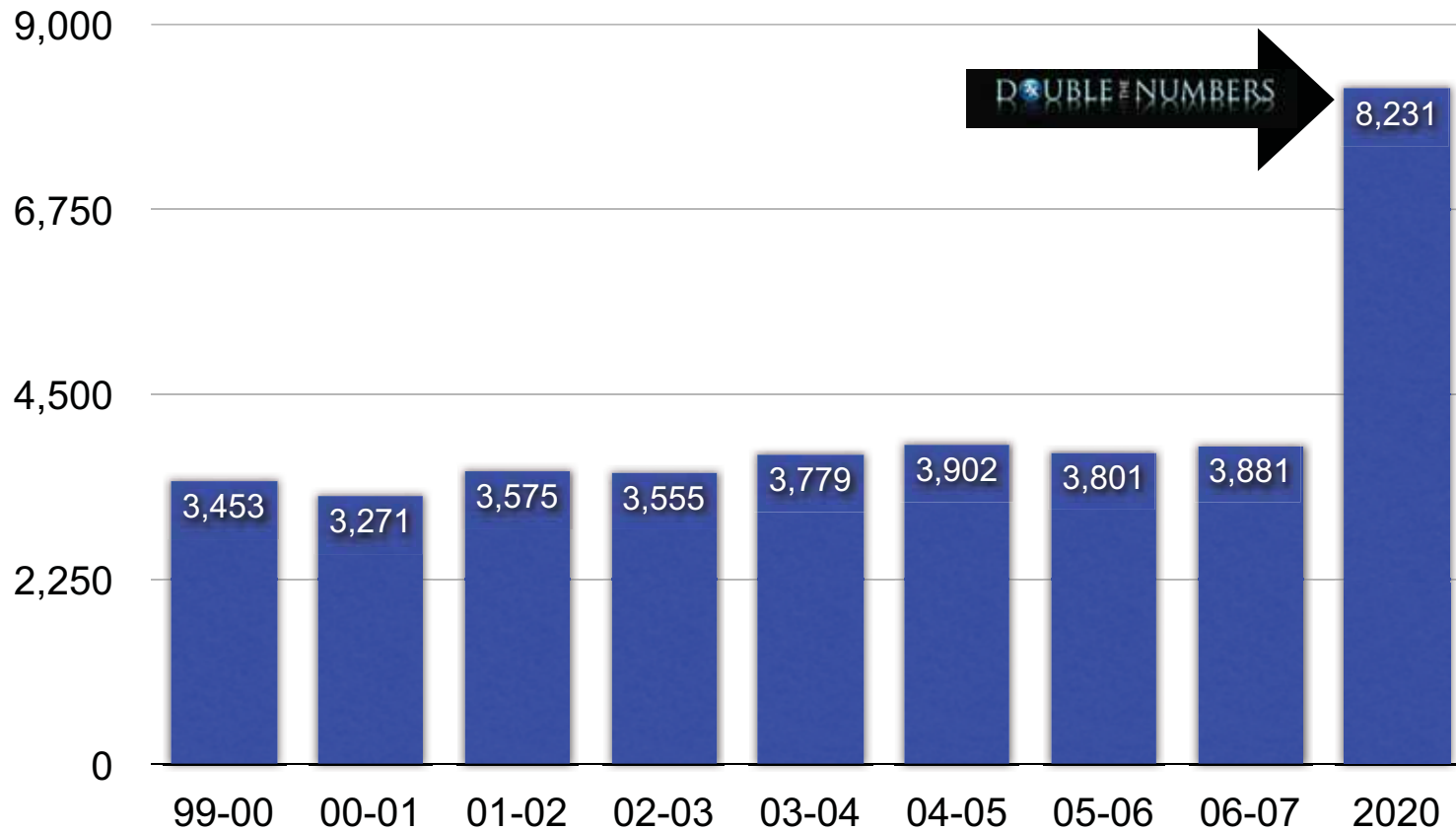
# Bachelor's Degrees Produced in KY 2006-07



● AIKCU

● Public Universities

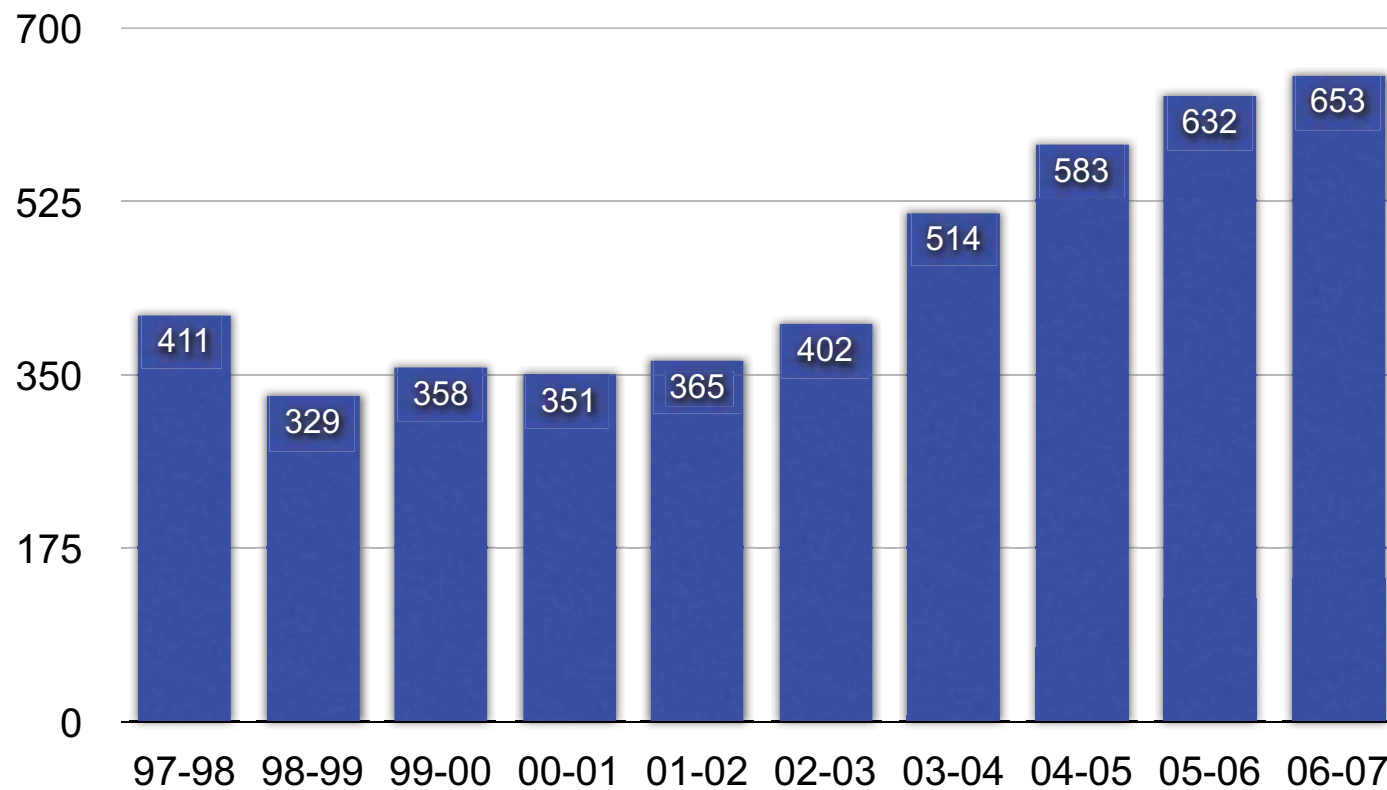
# AIKCU Bachelor's Degrees



AIKCU enrolls about 19% of KY's bachelor's degree seeking students and produces 22% of bachelor's degrees.

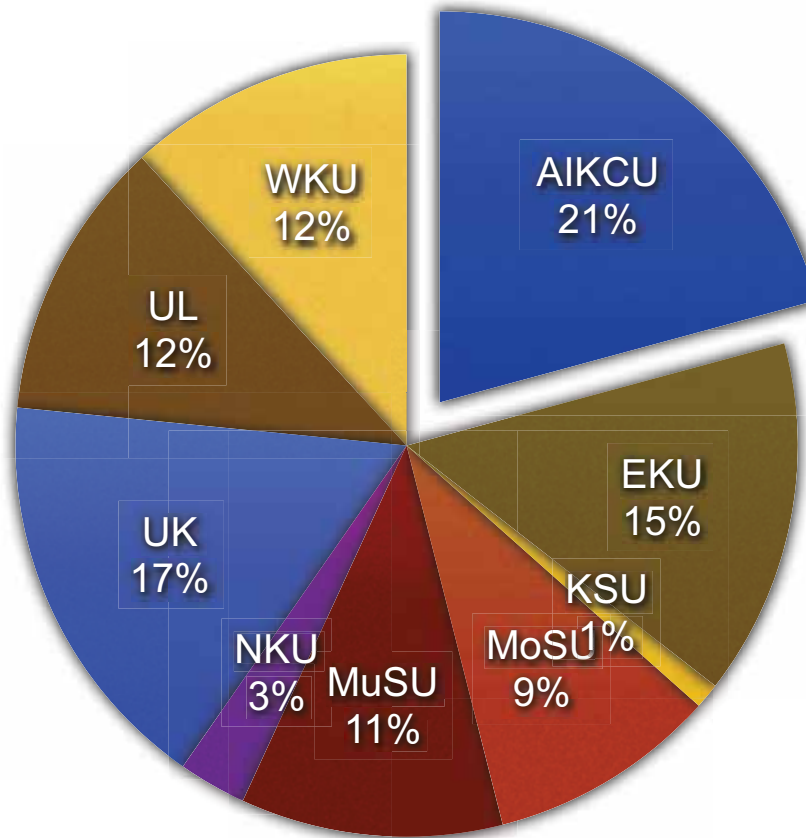
Source: CPE Comprehensive Database

# Increase in transfers from KCTCS to AIKCU over time



Source: CPE Comprehensive Database

## Transfers from KCTCS by destination, 2006-07



In 2006-07, transfers to AIKCU institutions collectively made up 20.8% of all KCTCS transfers.

Source: 2006-2007 CPE Transfer Feedback Report

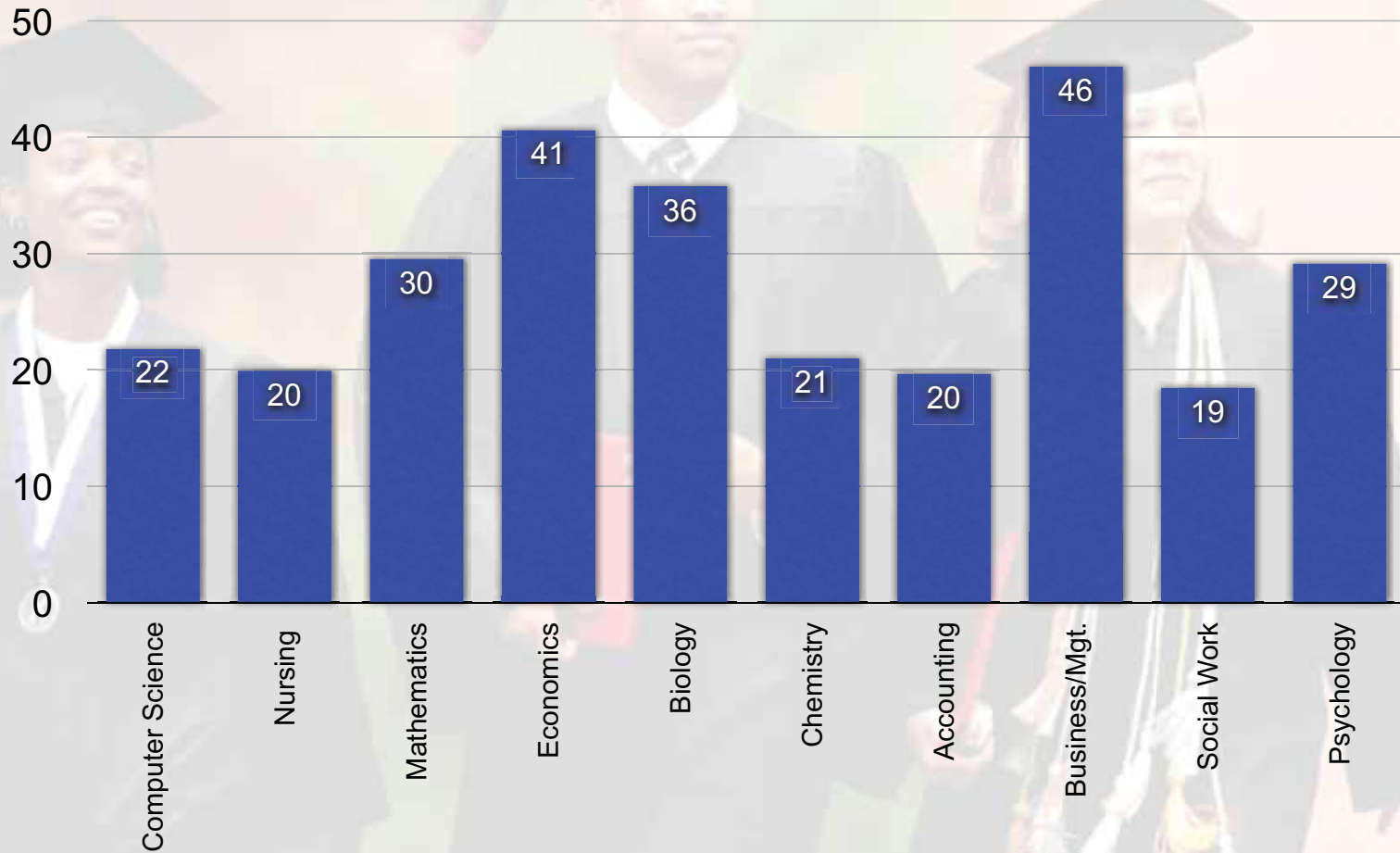
# Building Kentucky's 21st century workforce

“In an economy that is dependent on innovation and global savvy, liberal education outcomes have become the keys to economic vitality and individual opportunity.”

*College Learning for the New Global Century*  
The National Leadership Council for  
Liberal Education & America's Promise, 2006.



## AIKCU bachelor's degrees as percentage of total Kentucky bachelor's degrees, 2006-07



Source: CPE Comprehensive Database

20 AIKCU teacher preparation programs produce 1/4 of Kentucky's new teachers annually



AIKCU produces more than **twice as many health sciences graduates** as history majors



# CPE can maximize this ROI by using its statutory authority to expand partnerships with AIKCU

## **KRS 164.020(31)**

[the CPE shall:]

Consider the role, function, and capacity of independent institutions of postsecondary education in developing policies to meet the immediate and future needs of the state. When it is found that independent institutions can meet state needs effectively, state resources may be used to contract with or otherwise assist independent institutions in meeting these needs.

## Building the partnership

- Recognize and support the value of independents and continue to include us in CPE initiatives.
- Support KTG, CAP, and KEES financial aid programs.
- Establish “safe harbor” for existing independent programs.
- Develop innovative funding arrangements within the CPE budget recommendation process:
  - Promote collaborations.
  - Learn from other states: Florida, Pennsylvania, Illinois, Maryland and others.

# AIKCU commits to continue

- Active support of CPE's Double the Numbers goals.
- To focus efforts on maintaining affordability.
- As “private institutions serving the public good” by devoting substantial non-public resources to address local, regional, and state needs.



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# Questions?



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