#### AGENDA

Council on Postsecondary Education Thursday, June 11, 2015 12:00 PM Eastern Kentucky - Several locations

- Council Meeting, Part 1 Focus on Alice Lloyd College and AIKCU Address: Alice Lloyd College, 100 Purpose Rd, Pippa Passes, KY 41844 Building/Room Number: Foster McGaw Library, 2nd Floor Time: 12:00-2:30 p.m.
  - a. Alice Lloyd College
  - b. AIKCU Performance Presentation
- Hindman Settlement School Briefing and Tour Location: 71 Justice Center, Hindman, KY 41822 Time: 3:00-4:00 p.m.
- University Center of the Mountains Briefing, Reception, and Dinner Address: HCTC, One Community College Drive, Hazard, KY 41701 Building/Room Number: J. Marvin Jolly Classroom Center (JCC), Room 152 Time: 5:45-8:15 p.m.

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Council on Postsecondary Education June 11, 2015

#### Institutional Progress Update Association of Independent Kentucky Colleges & Universities

In February 2011, the Council on Postsecondary Education approved Stronger by Degrees: A Strategic Agenda for Kentucky Postsecondary and Adult Education. AIKCU staff will provide updates on their progress for the four focus areas of the Strategic Agenda.

Staff preparation by Heather Bingham

# Stronger by Degrees: The progress and status of the private nonprofit college sector in Kentucky, 2015

Gary S. Cox, Ph.D President (502) 695-5007 gary.cox@aikcu.org http://aikcu.org



Association of Independent Kentucky Colleges & Universities

#### KRS 164.020(13)

The Council on Postsecondary Education in Kentucky shall:

Ensure that the state postsecondary system does not unnecessarily duplicate services and programs provided by private postsecondary institutions and shall promote maximum cooperation between the state postsecondary system and private postsecondary institutions. Receive and consider an annual report prepared by the Association of Independent Kentucky Colleges and Universities stating the condition of independent institutions, listing opportunities for more collaboration between the state and independent institutions and other information as appropriate;

### AIKCU Sector Profile

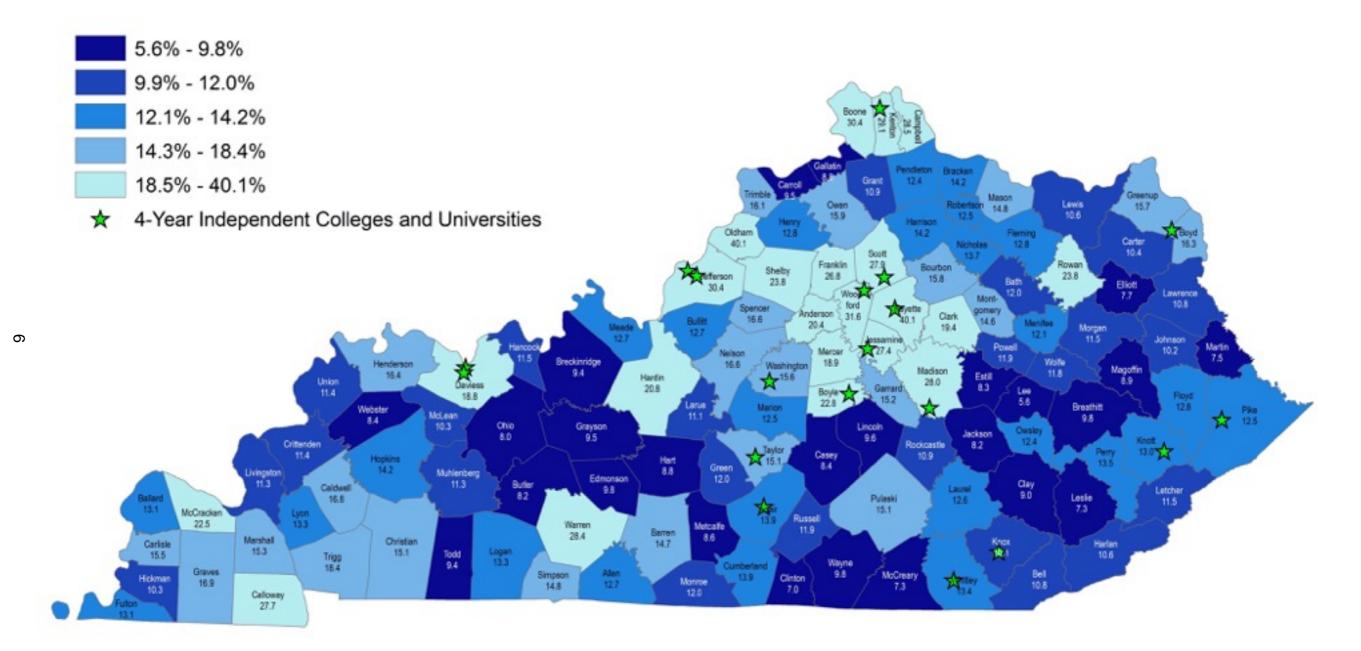
- 19 private nonprofit colleges and universities accredited by SACSCOC and licensed by CPE.
- Fall 2014 headcount enrollment: 27,602 undergraduate; 7,600 graduate (35,202 total)
- 75% of undergraduate students are Kentucky residents, representing every county. Students come from all 50 states and more than 100 countries.
- Just under half of all undergraduates are Pell Grant recipients.
- 25% of undergraduates are 25 or older

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- Diversity: 14.0% overall minority enrollment, 8.4% African-American, 2.4% Hispanic, 2.0% two or more races, 5.5% unknown, 2.7% nonresident alien
- No comprehensive numbers, but very high percentages of first-generation students.

#### Percentage of Population Ages 25 and Over with a Bachelor's Degree or Higher

with Locations of 4-Year Independent Colleges and Universities



Kentucky: 21.5% United States: 28.8%

Source: American Community Survey, 2009-2013 5-Year Estimates



| Performance Metric        | Baseline* | 2010-11* | 2011-12* | 2012-13** | 2013-14 | Target | Progre<br>Baselin<br>Targ | ne to |
|---------------------------|-----------|----------|----------|-----------|---------|--------|---------------------------|-------|
| New Teacher<br>Excellence | 17.1%     | 17.6%    | 18.5%    | 32.7%     | 29.2%   |        |                           |       |

\*Percent of teaching program graduates scoring in the top 15 percent nationally on Praxis II Practice of Learning and Teaching (PLT) licensure exams.

#### \*\*Change for 2012-13 data: Percent of teaching program graduates scoring in the top 25 percent nationally on Praxis II Practice of Learning and Teaching (PLT) licensure exams.

Icons do not represent a global evaluation of institutional status on an indicator; they indicate change from baseline to targeted value only. Targets set through negotiation between CPE and institution. For more information on metrics, including definitions, visit: <u>http://dataportal.cpe.ky.gov/dashboard.shtm</u>

KENTUCKY COUNCIL ON POSTSECONDARY EDUCATION



| Performance Metric | Baseline | 2010-11 | 2011-12 | 2012-13 | 2013-14 | Target | Prog<br>Baseline | ress:<br>to Target |
|--------------------|----------|---------|---------|---------|---------|--------|------------------|--------------------|
| STEM+H Degrees     | 1,249    | 1,139   | 1,522   | 1,564   | 1,615   | 1,500  | 100%             |                    |



### EFFICIENCY AND INNOVATION AIKCU

| Performance Metric  | Baseline | 2010-11 | 2011-12 | 2012-13 | 2013-14 | Target | Prog<br>Baseli<br>Targ | ne to |
|---|----------|---------|---------|---------|---------|--------|------------------------|-------|
| Online Learning<br>(Percent of all credit<br>earned through online<br>learning) | 6.6%     | 8.4%    | 10.9%   | 12.0%   | 13.3%   | 8.0%   | 100%                   |       |
| Credits Earned By<br>Degree Graduates*  | 137      | 138.2   | 137.3   | 136.2   | 135.5   | 137    |                        |       |

Online learning measures the percent of completed student credit hours delivered through distance learning. \*Credits earned by degree graduates includes all bachelor's degree graduates during the year. From baseline year through 2011-12, this metric measured credits "attempted". In 2012, the Council voted to change the metric to measure credits "earned", and this went into effect for academic year 2012-13.

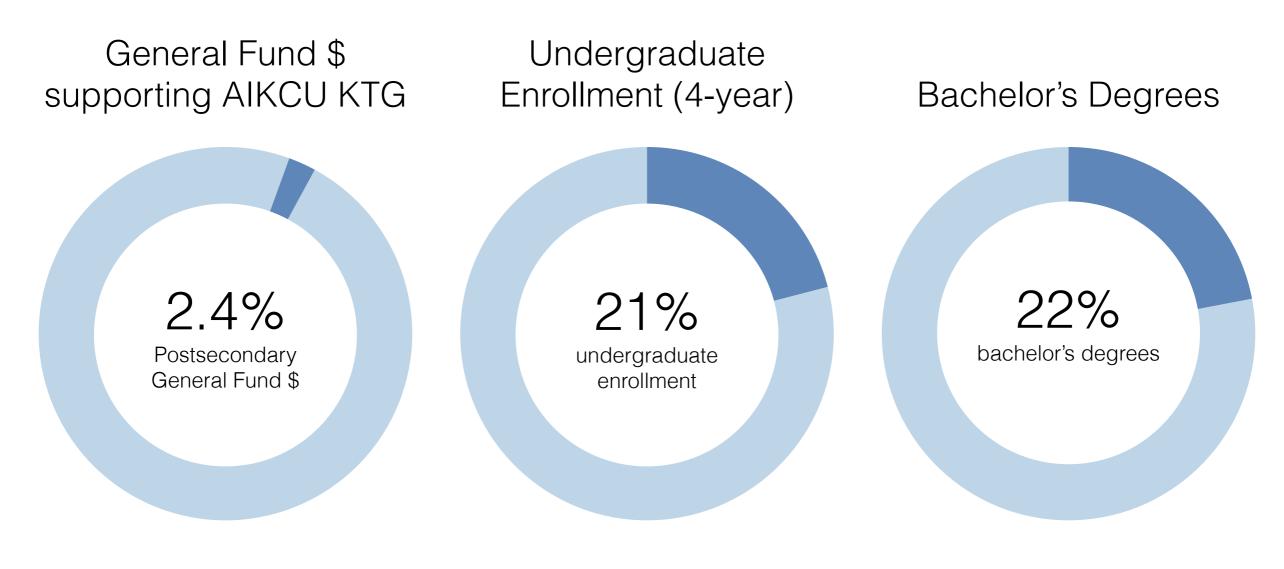
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KENTUCKY COUNCIL ON POSTSECONDARY EDUCATION

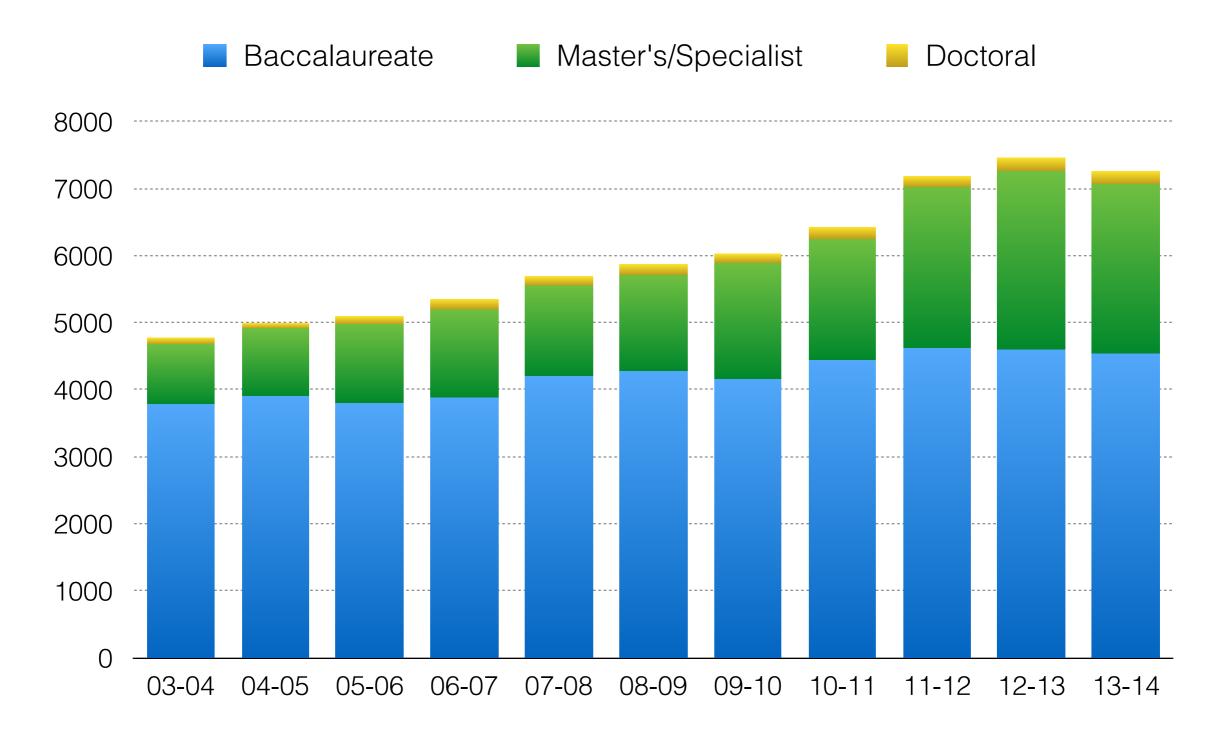


| Performance Metric                 | Baseline | 2010-11 | 2011-12 | 2012-13 | 2013-14 | Target |      | ress:<br>ine to<br>get |
|------------------------------------|----------|---------|---------|---------|---------|--------|------|------------------------|
| Degrees and<br>Credentials (Total) | 6,581    | 7024    | 7,927   | 8,172   | 7,709   | 8,000  | 79%  |                        |
| Bachelor's Degrees                 | 4,159    | 4,431   | 4,620   | 4,595   | 4,538   | 5,600  | 26%  |                        |
| Master's Degrees                   | 1,724    | 1,824   | 2,408   | 2,668   | 2,530   | 2,200  | 100% |                        |
| Doctoral Degrees—<br>All Types     | 137      | 171     | 154     | 189     | 188     | 200    | 81%  |                        |

#### Return on Kentucky's investment in private college students



# After a period of sustained growth, degree production has slowed and declined slightly in 2013-14



Total baccalaureate degrees increased by 29%, graduate degrees by 230%. Source: CPE Comprehensive Database



Degree completion programs targeting adult students and KCTCS transfers, online programs, and graduate programs continue to be strengths for many AIKCU members. However, growth has tapered as the marketplace has become more crowded.



| Performance<br>Metric               | Baseline | 2010-11 | 2011-12 | 2012-2013 | 2013-14 | Target |      | ress:<br>to Target |
|-------------------------------------|----------|---------|---------|-----------|---------|--------|------|--------------------|
| Bachelor's Graduation<br>Rate       | 50.8%    | 49.3%   | 50.4%   | 49.1%     | 49.1%   | 55%    | -40% | Losing Ground      |
| Underrepresented<br>Minority        | 35.6%    | 37.1    | 33.9%   | 33.9%     | 34.8%   |        |      |                    |
| Non<br>Underrepresented<br>Minority | 50.6%    | 51.3%   | 53.1%   | 52.0%     | 51.4%   |        |      |                    |
| Transfers from KCTCS                | 1,276    | 2,274   | 2,620   | 2,077     | 2,165   | 1,800  | 100% |                    |

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**KENTUCKY COUNCIL ON POSTSECONDARY EDUCATION** 



### About graduation rates

About 50% of first-time, full-time AIKCU students graduate in 6 years. 38% graduate in 4 years.\*

75% of first-time, full-time students who graduate complete degrees in 4 years.\*

Institutional graduation rates vary as much as institutions and the students they serve, ranging from ~30% to 82%. Median graduation rate is 40%.\*

In addition to the URM graduation rate gap, there is also a significant gap between graduation rates of males (42.8) and females (58.9).\*

81% of first-time, full-time students who start at a Kentucky nonprofit private college complete a degree *somewhere* within 6 years.\*\*

Thousands of AIKCU students aren't included in official graduation rate statistics.

\*\*National Student Clearinghouse, *Completing College: A State-Level View of Student Attainment Rates* 

<sup>\*</sup> IPEDS

# Examples of student success initiatives at AIKCU member institutions

| Institution           | Program                          | Description   |
|-----------------------|----------------------------------|---|
| Alice Lloyd College   | First Semester<br>Bridge Program | Alice Lloyd College utilizes a Freshman Transition Semester which we<br>affectionately call the "Bridge Program." The program is made up of 12 weekly<br>meetings in which students receive information on topics like how to develop a<br>four-year plan, how to be successful in college courses, etc. All first-time freshmen<br>are required to participate, and the program is staffed by faculty and other key<br>people on campus.   |
| Asbury University     | Liberal Arts<br>Seminar          | All new first time, full-time students are required to participate in campus programs<br>that enhance their liberal arts experience at Asbury University. We want students<br>to know that Asbury University is a place where asking hard questions is not only<br>encouraged, but it's also essential; and we want to begin knitting our new students<br>into a vibrant community that engages minds and hearts. The seminar is<br>enhanced in part because of the faculty-led small groups. |
| Bellarmine University | Faculty<br>Development<br>Center | The Bellarmine Faculty Development Center collaborates with Student Success<br>Initiatives and Student Affairs to to help implement high-impact practices in first-year<br>initiatives, student affairs events, and retention efforts. For example, the FDC offers a<br>half-day "Building Resiliency for Student Success" workshop for faculty, staff, and<br>administration who advise and tutor students as well as Freshman Focus instructors who<br>work with first year students.       |
| Berea College         | Berea Bridge                     | The Berea Bridge pilot is an Intensive summer program started summer 2014 for 30 lottery-selected incoming students. It includes 3 credit-bearing courses, campus work position, required study hall, extracurriculars and service work. Preliminary results show Bridge students achieving both academically and extracurricularly at a higher level than non-Bridge peers.  |
| Brescia University    | Student Support<br>Services      | Brescia University's Student Support Services (SSS) is funded by a grant from the U.S. Department of Education. This voluntary program serves 160 selected Brescia students who have an academic need and who are either first generation college students, have a disability, or come from a low-income background. SSS provides multiple supports to selected students: academic coaching, advising, tutoring, and other services.  |

| Institution                      | Program  | Description  |
|----------------------------------|--|--|
| Campbellsville<br>University     | CU International<br>Students<br>Mentoring P-12<br>ELL students | Campbellsville University's School of Education and Office of International Education, in partnership with Marion County public schools, launched a new program targeting English Language Learners (ELL) struggling academically and socially. Select CU international students will spend time in the ELL classroom and after school providing tutoring and mentoring. The initial contact between college and P-12 students has already shown a dramatic impact on student learning. This is the first mentoring program of its kind in the central Kentucky region. Plans are to include other education majors who need such valuable field experiences working with ELL learners and their families. |
| Centre College                   | Grissom Scholars<br>Program                                    | The Grissom Scholars Program will provide 10 high-achieving, first-generation college students full tuition scholarships, plus \$5,000 in educational enrichment funds (renewable for four years), on-campus programming, individual mentoring, and, if needed, additional aid to cover the cost of room and board, books, and transportation. This joins other Centre scholarship programs to solidify Centre as a place of "high achievement and high opportunity."  |
| Georgetown College               | College to Career<br>Commitment                                | For the past three years, Georgetown College has been developing ways to ensure that our graduates can make an easy transition into the workforce. We introduced a two-day "Sophomore Summit" that was designed to get students engaged in career planning and preparation activities well before graduation. In the coming year, we are expanding the initiative into a full "College to Career Commitment" program that will provide financial incentives for early engagement in career preparation. For more information, please see <a href="https://www.georgetowncollege.edu/career/college-to-career/">https://www.georgetowncollege.edu/career/college-to-career/</a>                             |
| Kentucky Christian<br>University | SaBRE: Srategies<br>for Building<br>Reading<br>Excellence      | Kentucky Christian University has implemented several measures related to reading over the past few semesters under the umbrella of SaBREStrategies for Building Reading Excellence. The program has brought a focus on critical reading in curricular classes, devotional reading through campus ministry, and popular reading across the campus community. After a successful two-year pilot program with student athletes, reading labs in conjunction with core Bible classes are being instituted for the first time this fall for all first-year students with low reading scores.   |
| Kentucky Wesleyan<br>College     | Kentucky<br>Wesleyan<br>Sophomore<br>Experience                | The Kentucky Wesleyan Sophomore Experience is a grant-funded initiative aimed at increasing the persistence of KWC second-year students by providing them with opportunities to connect to the college, their peers, and faculty while helping them to be better prepared and confident in their future. Signature events include monthly career panels with local alums in specific majors, "Learn More" sessions about majors and careers, "Be More" sessions focused on developing good habits, "Sophomores Serve" projects, Mystery Bus Tours to local attractions, and more. When students complete the program they are eligible for a small grant to be applied to tuition for the next year.       |

| Institution            | Program  | Description   |
|------------------------|--|---|
| Lindsey Wilson College | Learning<br>Communities  | Lindsey Wilson College serves a high number of low income (65%) and first generation (39%). Programs to support success are critical to our students. In addition to the First Year Experience program that includes intensive advising and service opportunities, LWC has established learning communities in popular majors (nursing, business, and health professions). There are also three learning communities for underprepared students. Both sets of learning communities are projected to have retention rates higher than the college's historic averages.   |
| Midway College         | PATH: Providing<br>Academic<br>Transition to<br>Higher education | The Midway College PATH (Providing Academic Transitions to Higher education) Mentoring<br>Program helps under represented middle and high school female students prepare and<br>transition into an institution of higher education. The students participate in team building<br>exercises on the Midway College campus and at their local schools alongside Midway<br>undergraduate students. They also learn about the college search/admissions process and how<br>to navigate resources on a college campus.  |
| St. Catharine College  | PAT 101:<br>Patriot Paths  | In Fall 2015, St. Catharine College implemented a new student success course for all first-time degree seeking freshmen called PAT 101: Patriot Paths. The course assisted them with their transition to college in four major areas: (a) academic skills and goal setting; (b) personal and emotional development; (c) health and wellness; and (d) campus involvement. The course also served as an introduction to the Four Pillars of Dominican Life and incorporated the common reading experience for our first-year students. The main goal for the program was retention, with current retention figures showing that our freshmen retention will increase by more than 10 percent for 2015-2016. |
| Spalding University    | Layered<br>Mentoring for All<br>First-Year<br>Students           | With a renewed focus on retention, Spalding University is developing a layered mentoring approach with all first-year students. Assigned advisors, success coaches, and peer mentors will take a 1:1 approach, engaging each freshman starting with summer registration (beSU), building relationships through fall Orientation, and bolstering the Spalding experience with the SU100 course, a student success curriculum exclusively designed for the first 12 weeks at Spalding University.   |
| Thomas More College    | TMC Success<br>Center  | Thomas More College hired a full-time director of retention starting in the 2013-14 academic year. That same year, the president of the college instituted a weekly "900" club consisting of stakeholder representatives for retention and admissions to track the college goal of having 900 full-time traditional students. That year's entering cohort had a 10% increase in first year retention compared to the previous year's cohort (for more information on success at Thomas More College please see <a href="http://www.thomasmore.edu/successcenter/">http://www.thomasmore.edu/successcenter/</a> ).   |

| Institution                      | Program   | Description   |
|----------------------------------|---|---|
| Transylvania University          | <i>100 Doors to<br/>Success</i> Alumni-<br>Student Mentoring<br>Program | In January 2015, Transylvania launched the <i>100 Doors to Success</i> mentor program which paired 100 students, mostly first-years, with a member of our alumni association. Students met with their mentor once a month to discuss making the most out of college, setting goals, the various professional possibilities they can explore with their liberal arts degree, how to apply their liberal arts education to life after college, and the importance of building a professional network.   |
| Union College                    | UCE: Union<br>College<br>Experience                                     | The Union College Experience (UCE) began in summer 2013 to academically prepare and retain incoming freshmen. Students arrive on campus one week prior to the beginning of the Fall semester to acclimate to campus life and establish valuable connections with faculty, staff, and their academic cohort. Students develop the necessary academic skills during the summer component to ease into their coursework and become successful students. The UCE also provides social activities and team building exercises to promote cohort camaraderie and improve Union College freshmen retention rates.  |
| University of the<br>Cumberlands | Dual Credit   | The Dual Credit Program at University of the Cumberlands provides students an opportunity to demonstrate college success at the high school level. Each semester the UC Dual Credit Coordinator tracks student success in the courses and consults with district representatives regarding student needs and student learning outcomes. UC is working with districts to create program and career pathways upon matriculation into University of the Cumberlands and is launching a tutoring center, free tutoring services and academic advising for dual credit students.   |
| University of Pikeville          | Center for Student<br>Success   | UPIKE was awarded a \$2.2 million Strengthening Institutions Title III grant to fund the Center for Student Success (CSS), a centralized academic advising center for incoming students. The CSS employs four Student Success Advisors who provide academic advising and coaching for all new incoming students. Our main focus is to establish communication with first-time, full-time freshmen early (while they are still in high school), deliver a consistent message about the first year, and provide connections to resources and support services on campus, as well as the greater Pikeville community in an effort to assist students with the transition to university life and lead to solutions for most difficulties encountered in the first year. More information: <a href="http://www.upike.edu/Student-Services/Student-Success">http://www.upike.edu/Student-Services/Student-Success</a> |

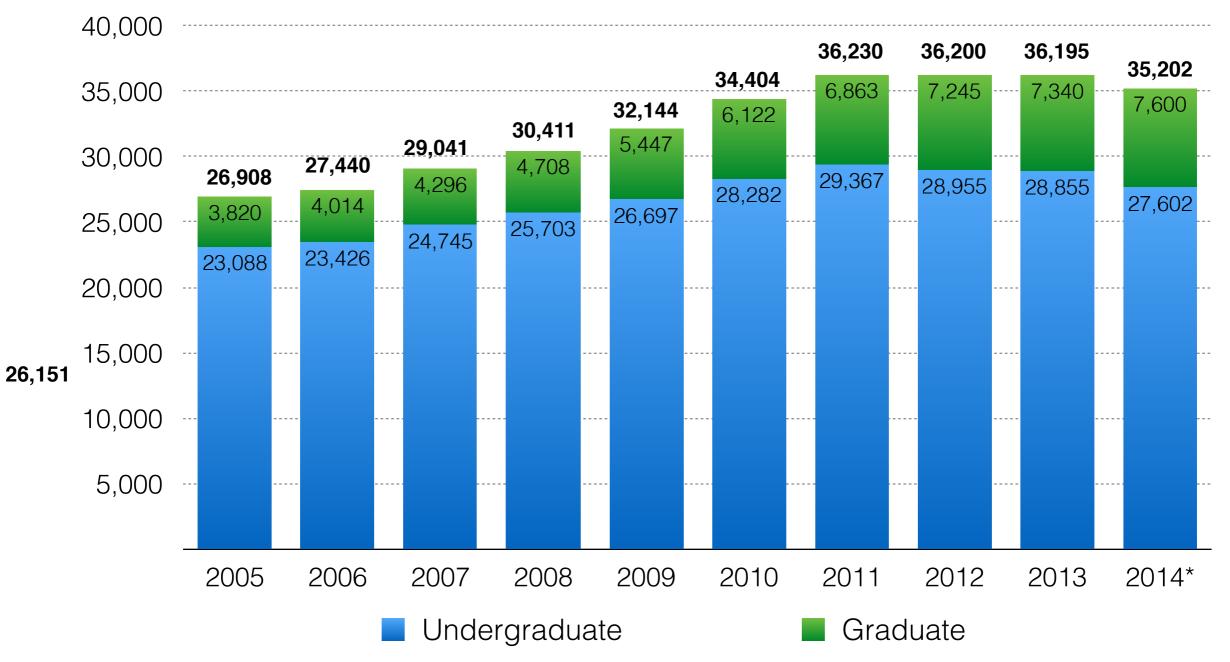
# The state of the private nonprofit college sector in Kentucky

Overall, the sector is strong. However, there are some very real challenges for small private colleges:

- Financial model that depends on tuition in a highly competitive and variable enrollment market
- (Mis)perceptions of cost, value, and student debt
- Underfunded state financial aid and threats to federal programs
- Increasingly complicated regulatory environment

# Fall Headcount Enrollment at Kentucky's Nonprofit Private Colleges, 2004-14

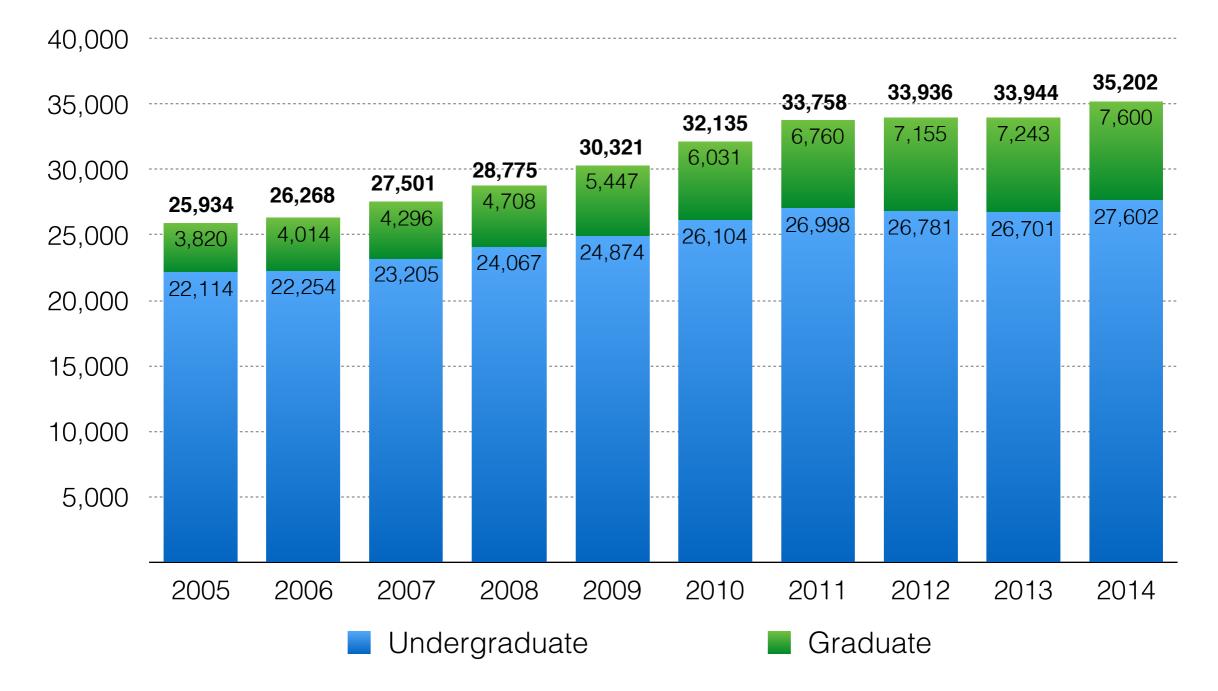
Total enrollment grew 34.6% from 2004-2011, but has decreased slightly each subsequent year.



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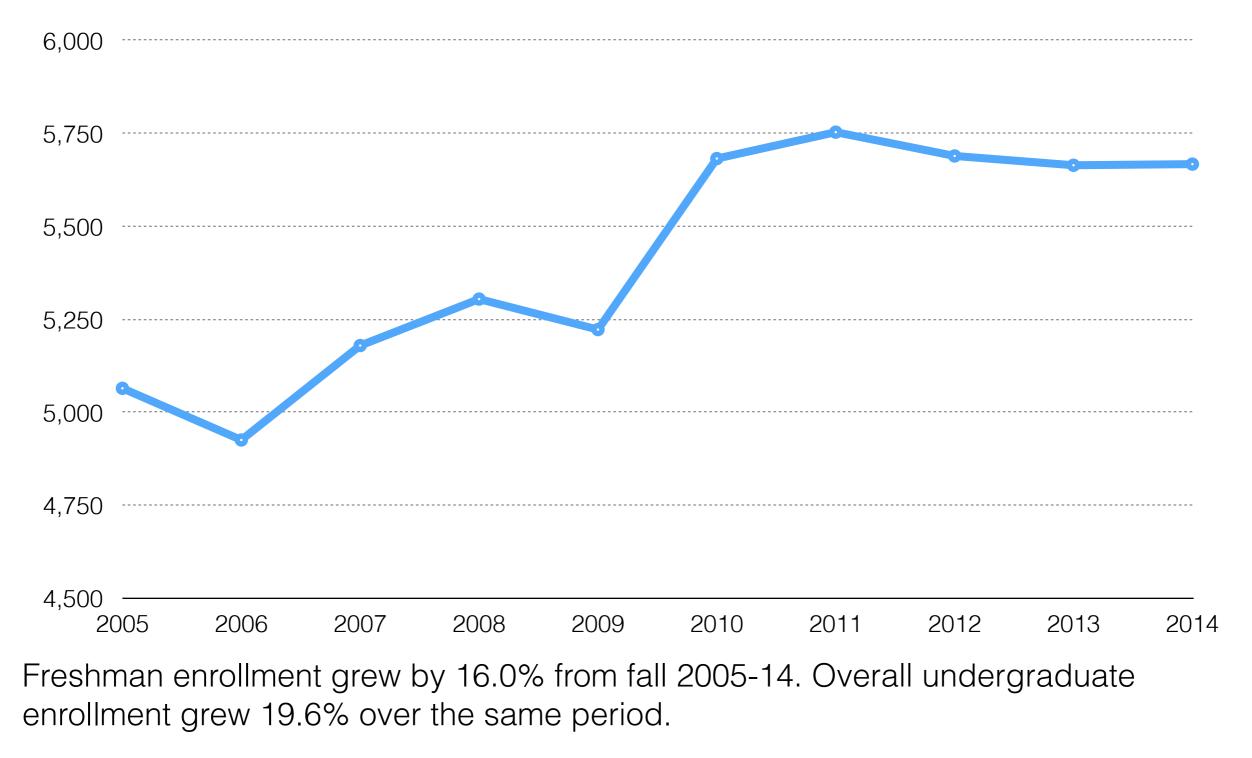
Source: Kentucky Council on Postsecondary Education Comprehensive Database, \*Mid-Continent University closed June 2014, so 19 institutions instead of 20 in total.

# Fall Headcount Enrollment at Kentucky's Nonprofit Private Colleges (Excluding Mid-Continent University), 2004-14



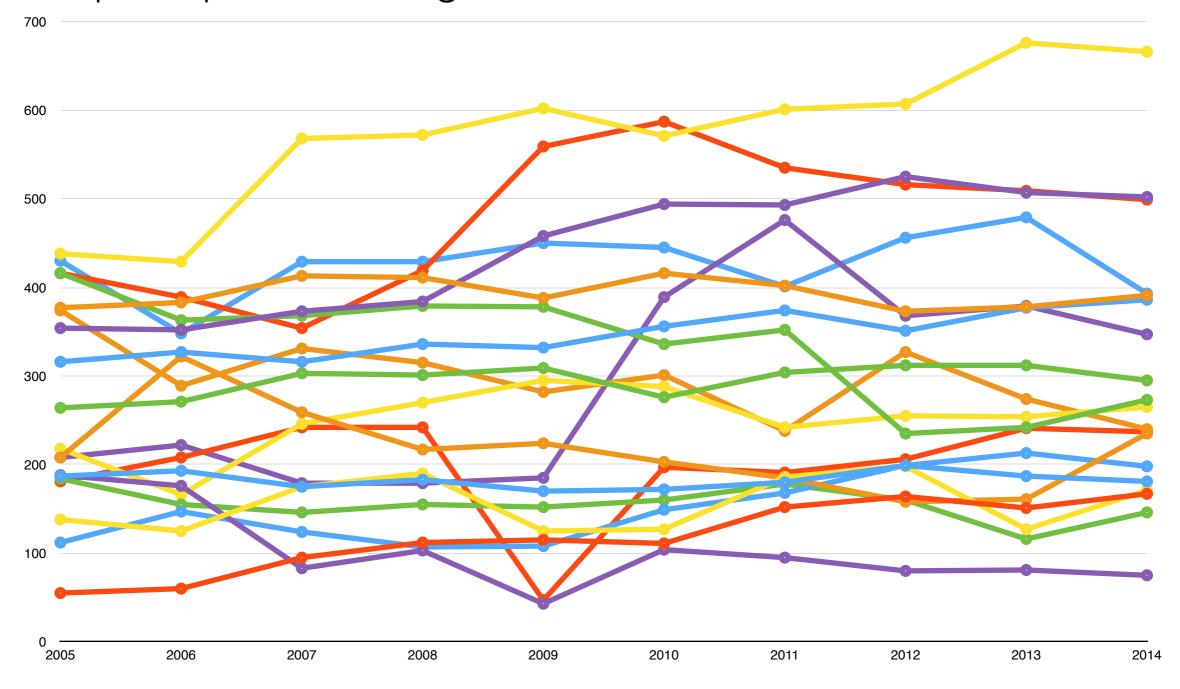
Source: Kentucky Council on Postsecondary Education Comprehensive Database, \*Mid-Continent University closed June 2014, so 19 institutions instead of 20 in total. 22

# Total first-time student enrollment at Kentucky's nonprofit private colleges, 2005-14 (MCU excluded)



Source: CPE Comprehensive Database. Mid-Continent University data not included.

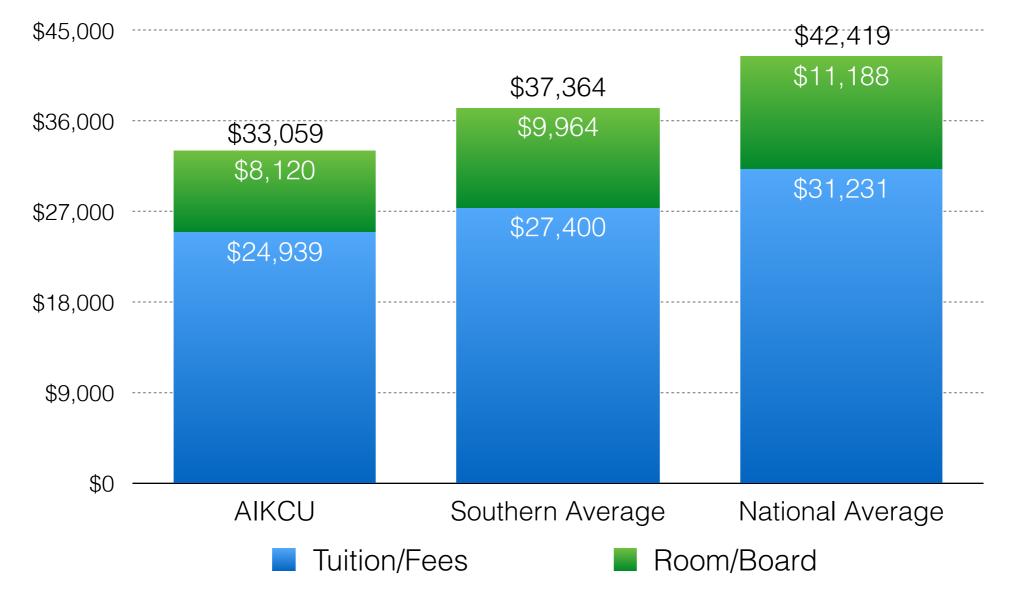
### First-time freshman enrollment by institution at Kentucky's nonprofit private colleges, 2005-14



Enrollments patterns = messy, uneven and highly variable at the institution level. Even minor variations can have major impacts on college finances.

#### Average published costs at AIKCU institutions

are 13% less than southern and 28% less than national private college averages.

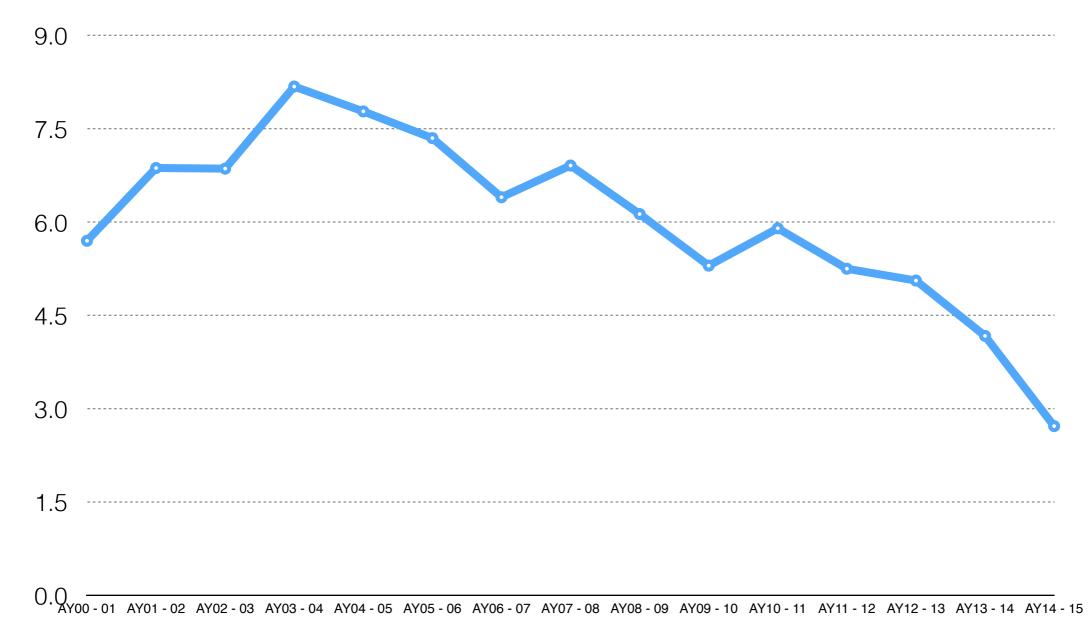


#### 2014-15 Average Published Costs

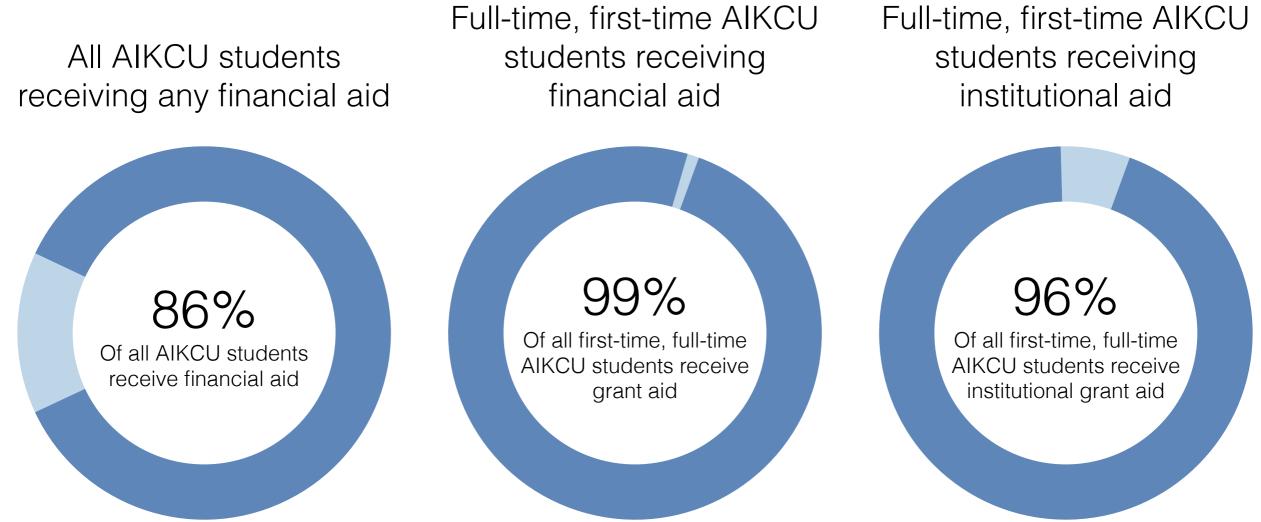
### The average AIKCU tuition/fees increase for 2014-15 was 2.7%, compared to the national nonprofit private college average of 3.7%.

Sources: College Board Trends in College Pricing 2014, AIKCU Survey. AIKCU data excludes Berea College and Alice Lloyd College, who both guarantee full tuition coverage for all students as part of their work college missions.

#### Average Published Tuition and Fee Percentage Increases at Kentucky's Nonprofit Private Colleges



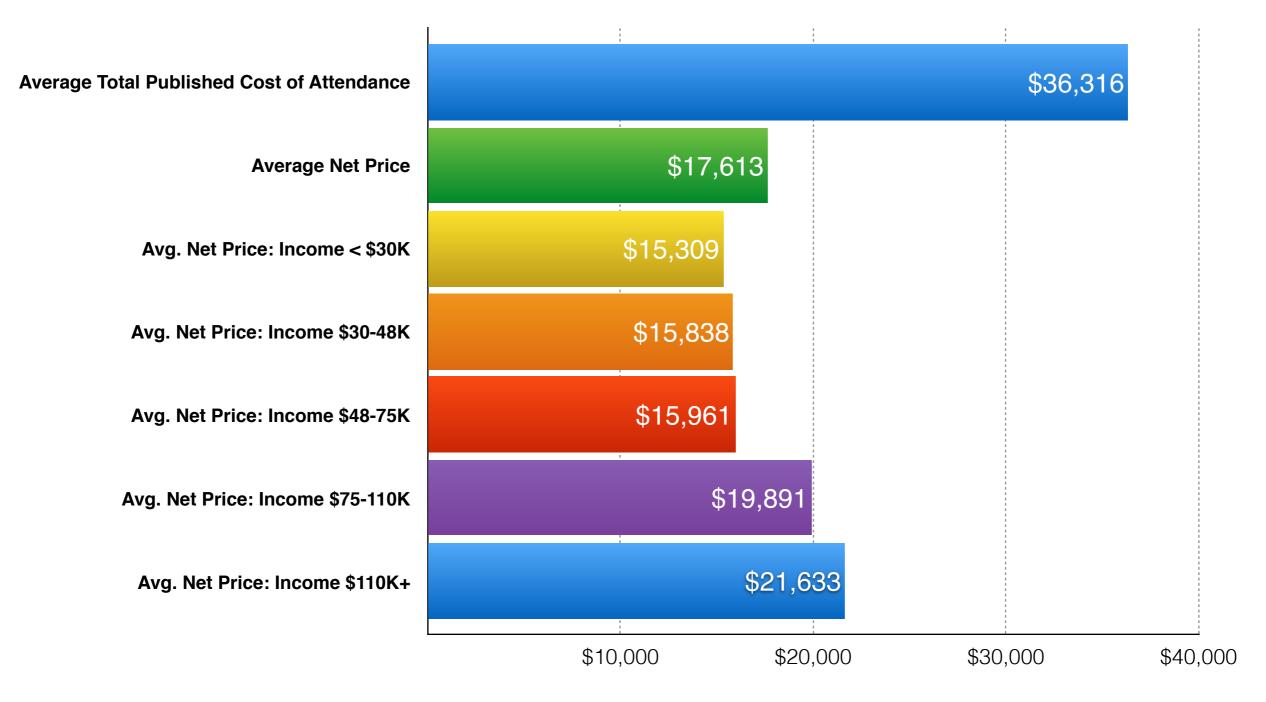
#### Published costs are not what most students pay.



#### Average institutional aid award = \$12,881

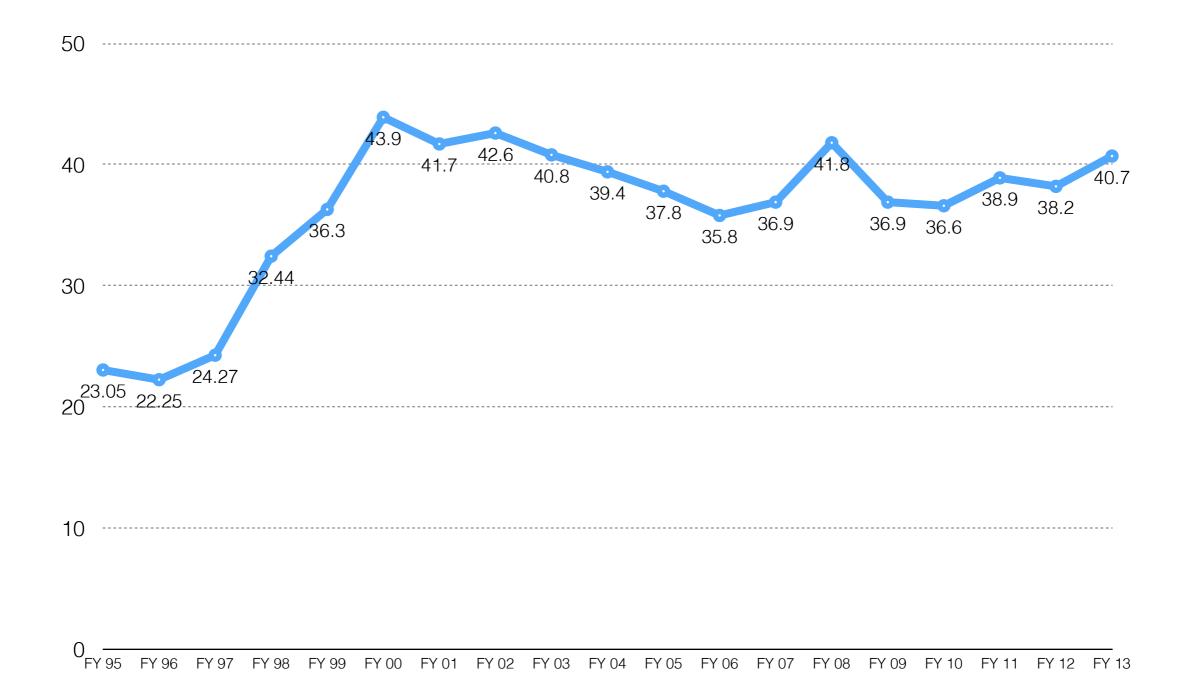
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#### Average net price at Kentucky's Nonprofit Private Colleges, 2013-14



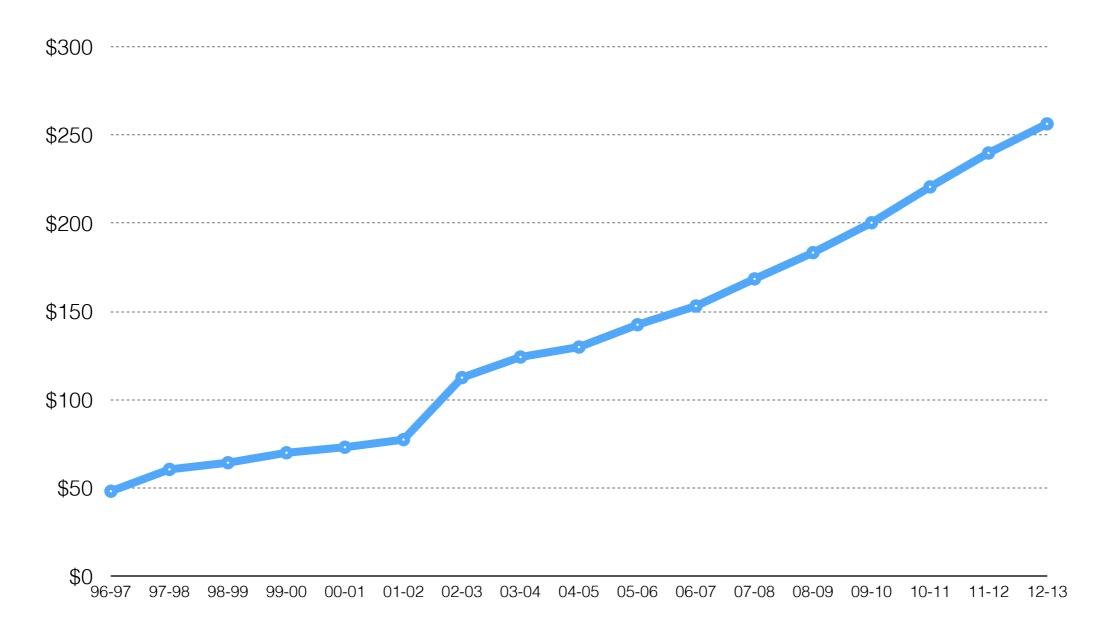
Source: IPEDS. Average of average net prices for first-year students receiving Title IV aid at 19 AIKCU colleges and universities in 2013-14. Average net price is generated by subtracting the average amount of federal, state/local government, or institutional grant or scholarship aid from the total cost of attendance. Total cost of attendance is the sum of published tuition and required fees, books and supplies, and the weighted average for room and board and other expenses.

#### AIKCU Average Tuition Discount 20 Year Trend



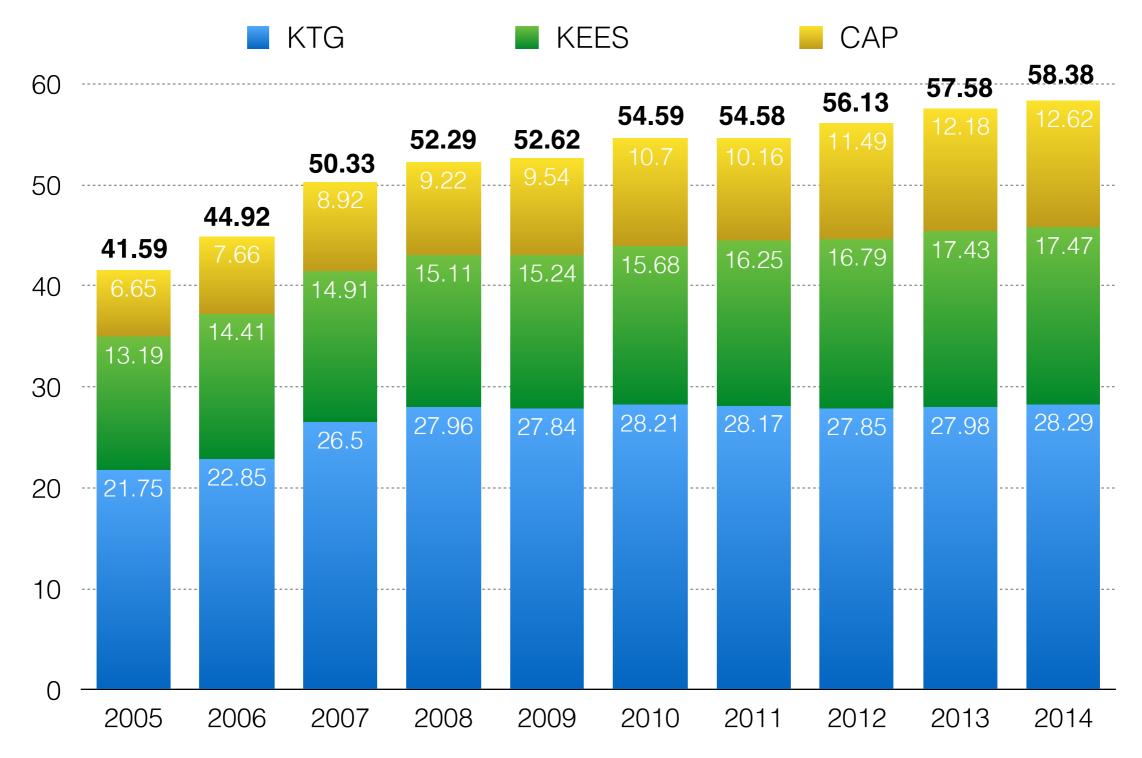
#### Institutional grants and scholarships

Total student financial aid awarded from institutional funds, Kentucky nonprofit private colleges and universities (in \$ millions)



Source: National Center for Education Statistics (IPEDS)

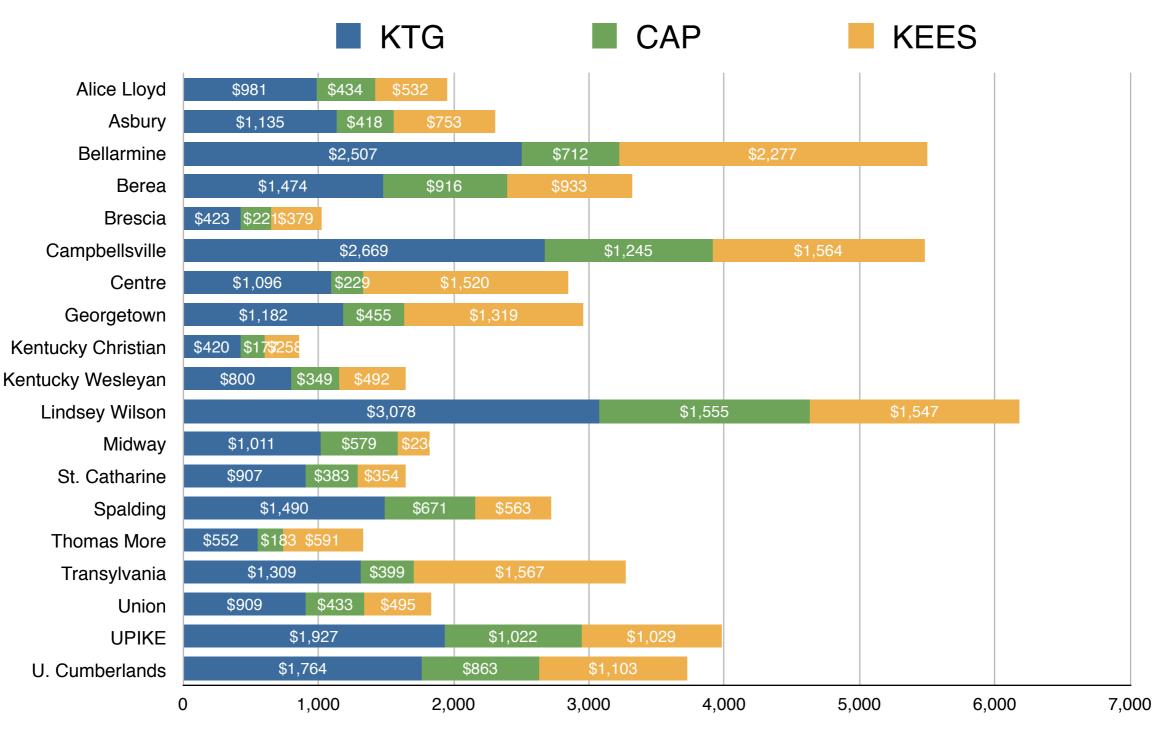
## Total lottery-funded state financial aid to AIKCU students, 2005-14 (in \$ millions)



Includes Mid-Continent University students. Numbers may not total exactly due to rounding. Source: KHEAA

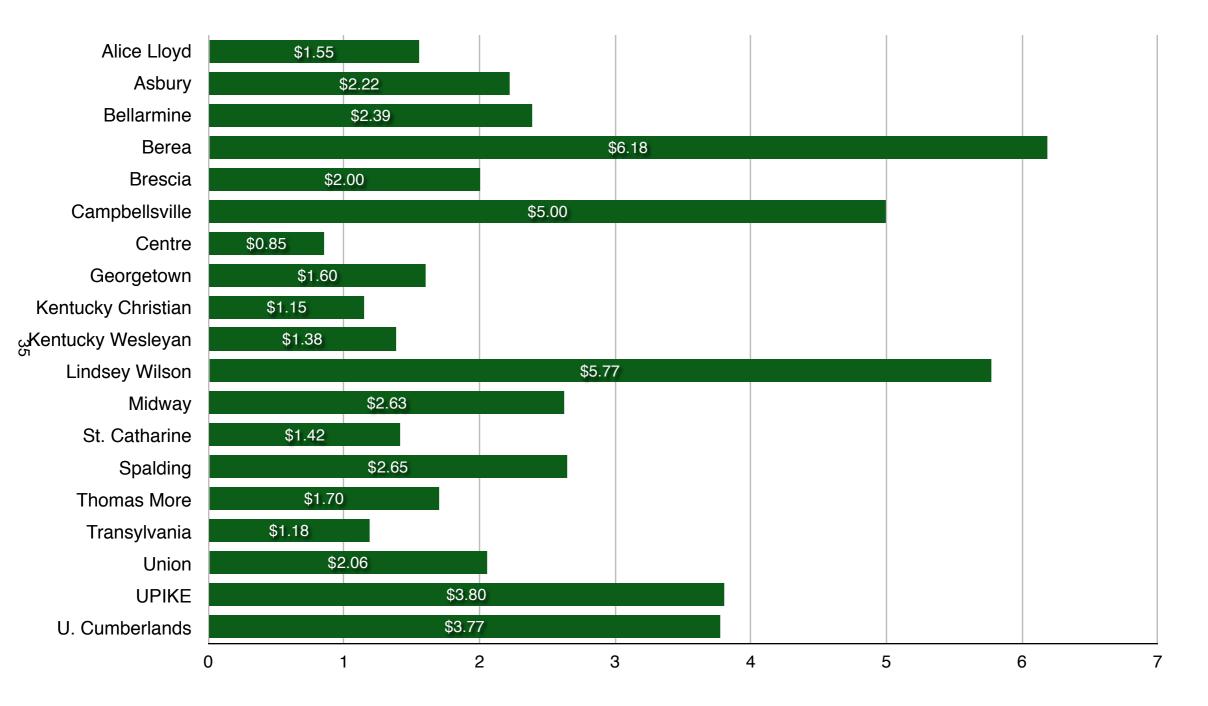
# Kentucky lottery-funded state financial aid to AIKCU students, 2013-14 (in \$1,000s)

70% of state aid distributed through need-based programs



In 2013-14 AIKCU students received \$58.38 million in state grants. For every \$1 in state financial aid, AIKCU members provide about \$4.50 in private institutional aid.

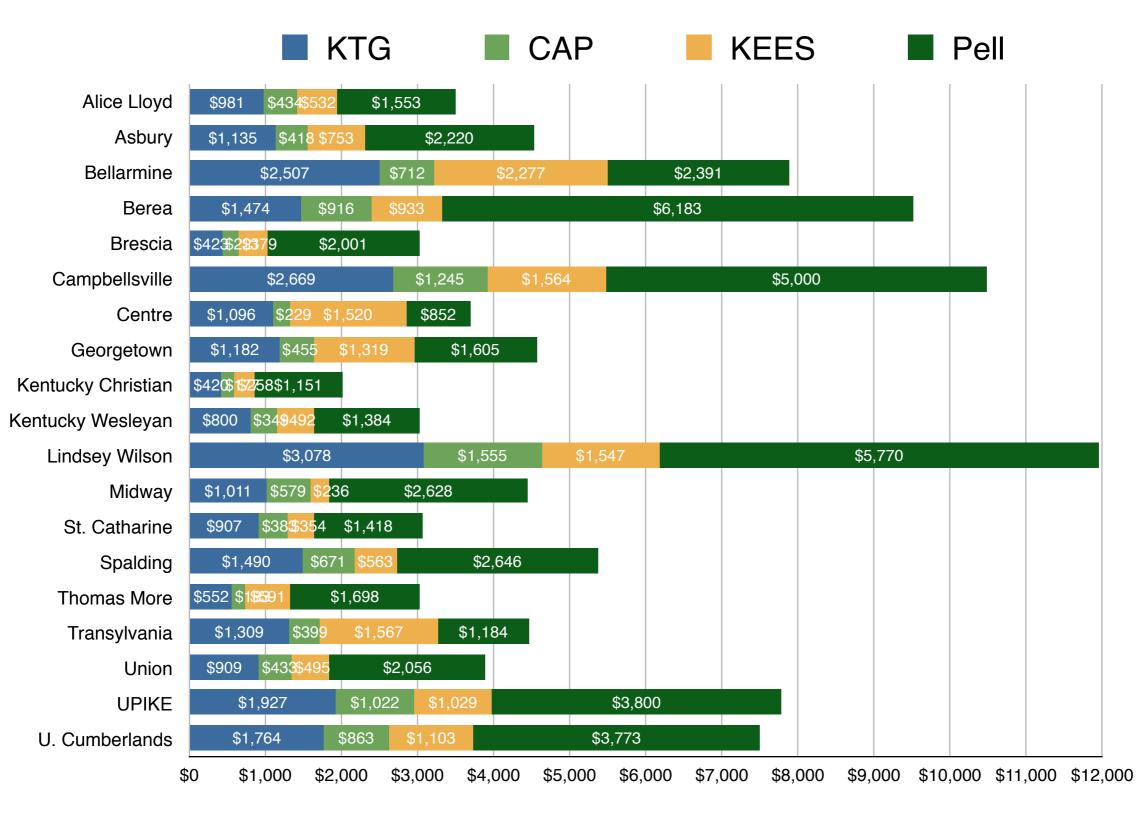
#### Pell Grants to AIKCU students, 2013-14 (in \$ millions)



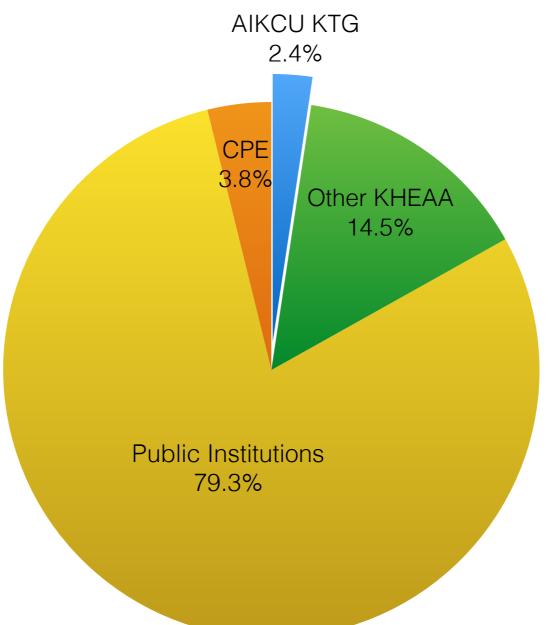
12,239 students at Kentucky's 19 nonprofit private colleges received more than \$49.3 million in Pell Grants in 2013-14.

Source: NAICU

### State + Federal Grant Aid to AIKCU students, 2013-14 (in \$1,000s)



### Financial aid to assist private college students makes up a very small portion of postsecondary spending



Kentucky Tuition Grants to AIKCU students totaled only 2.4% (\$28.29 million) of \$1.19 billion in Kentucky General Fund appropriations to postsecondary education in 2013-14. [AIKCU students receiving CAP and/or KEES would receive those at any institution in KY.] Lottery funds that should statutorily go to needy students (both AIKCU and public) are being diverted from Kentucky's need-based aid programs.

| State<br>Fiscal<br>Year | Consensus<br>Forecast<br>Group<br>Estimate <sup>1</sup><br>(millions) | Statutory<br>allocation<br>(55%) to<br>CAP/KTG <sup>2</sup><br>(millions) | Net Lottery<br>Revenue <sup>3</sup><br>to General<br>Fund<br>(millions) | Appropriated | Appropriated<br>KTG <sup>4</sup> | Total<br>CAP & KTG<br>Appropriated | Percent<br>statutory<br>allocation | less Statutory | Applicants not<br>funded;<br>otherwise<br>qualified &<br>likely to attend |
|-------------------------|---|---|---|--------------|----------------------------------|------------------------------------|------------------------------------|----------------|---|
| FY2014                  | 218.0   | 118.3   | 219.5   | 65,276,100   | 32,816,200                       | <b>98,092,300</b> <sup>5</sup>     | 83.0%                              | -20,157,700    | 100,050   |
| FY2013                  | 214.0   | 116.1   | 215.3   | 57,182,311   | 29,820,457                       | 87,002,768 <sup>6</sup>            | 75.0%                              | -29,047,232    | 111,543   |
| FY2012                  | 211.0   | 114.4   | 210.8   | 58,675,586   | 31,045,124                       | 89,720,710 <sup>6</sup>            | 78.4%                              | -24,679,290    | 110,681   |
| FY2011                  | 198.0   | 107.3   | 200.5   | 59,567,348   | 32,313,514                       | <b>91,880,862</b> <sup>6</sup>     | 85.7%                              | -15,369,138    | 106,244   |
| FY2010                  | 195.0   | 105.6   | 200.0   | 63,333,714   | 32,419,998                       | <b>95,753,712</b> <sup>6</sup>     | 90.7%                              | -9,846,288     | 78,517  |
| FY2009                  | 198.5   | 107.5   | 193.5   | 61,615,500   | 32,764,600                       | 94,380,100 7                       | 87.8%                              | -13,144,900    | 47,797  |
| FY2008                  | 187.5   | 101.5   | 187.5   | 61,211,000   | 32,541,300                       | <b>93,752,300</b> <sup>5</sup>     | 92.4%                              | -7,722,700     | 43,766  |
| FY2007                  | 182.6   | 98.8  | 186.6   | 59,585,800   | 30,270,100                       | 89,855,900 <sup>7</sup>            | 91.0%                              | -8,924,100     | 36,256  |

#### **Re-allocation of Forecast Net Lottery Proceeds Away from Postsecondary Student Aid**

<sup>1</sup> Office of the State Budget Director, Official Revenue Estimates (various years), http://www.osbd.ky.gov/publications/RevEstimates.htm

<sup>2</sup> Less 3.0 million statutory allocation for literacy programs.

<sup>3</sup> Governor's Office for Economic Analysis, Office of the State Budget Director, *Quarterly Economic & Revenue Report, Fourth Quarter, Annual Edition* (various years)

<sup>4</sup> Office of the State Budget Director, Budget of the Commonwealth (various years), http://www.osbd.ky.gov/Archives/

<sup>5</sup> Revised

<sup>6</sup> Actual

<sup>7</sup> Enacted

#### **Lottery Projections & Student Aid Appropriations**

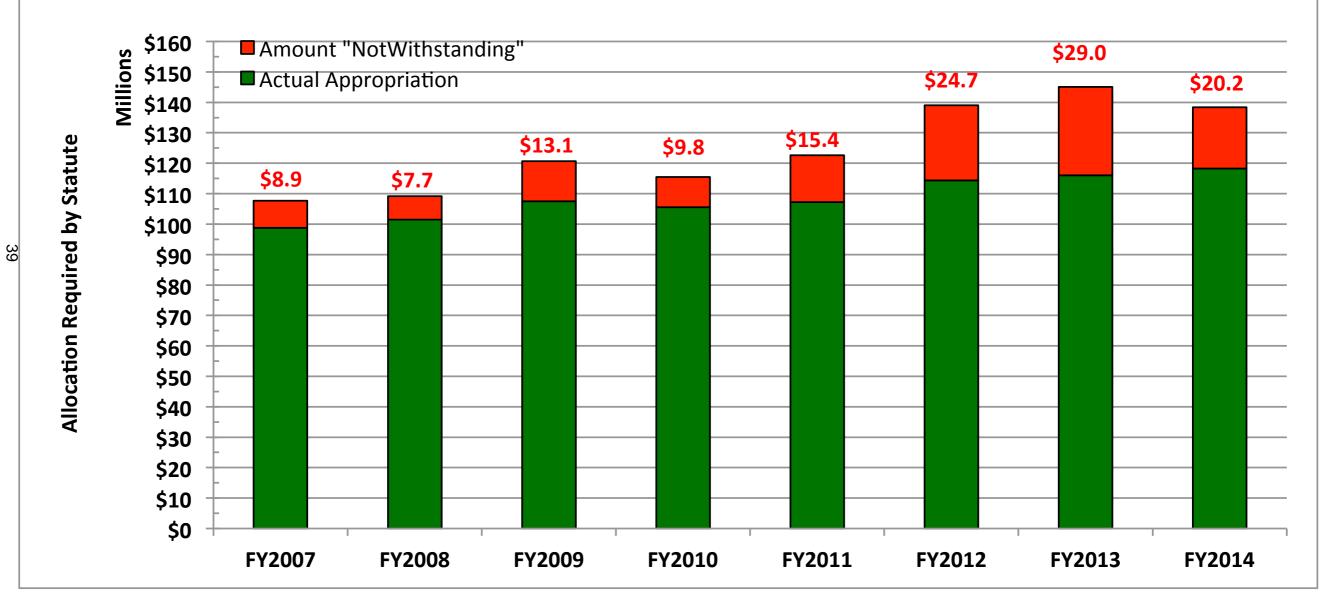
Charts courtesy of KHEAA

| by | Fiscal   | Year |
|----|----------|------|
|    | (Millior | ns)  |

| _ \$160 -        | Amount "NotWithstanding" | <br>\$29.0        |
|------------------|--------------------------|-------------------|
| <u>6</u> \$150 - | Actual Appropriation     | <br>\$24.7 \$20.2 |

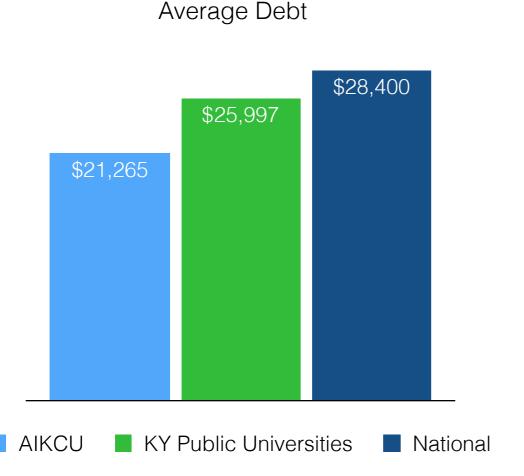
#### **Lottery Projections & Student Aid Appropriations** by Fiscal Year

(Millions)



Charts courtesy of KHEAA

### The reality of student loans

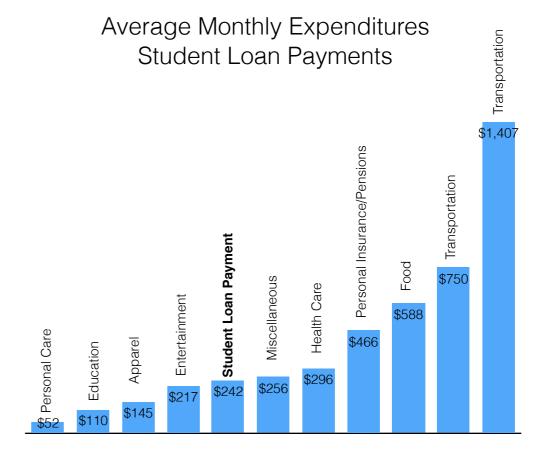


The AIKCU average loan debt of \$21,265 (among institutions with data available) was 34% less than the national average of \$28,400 for the class of 2013. Average debt at AIKCU institutions ranged from \$6,652 to \$31,347.

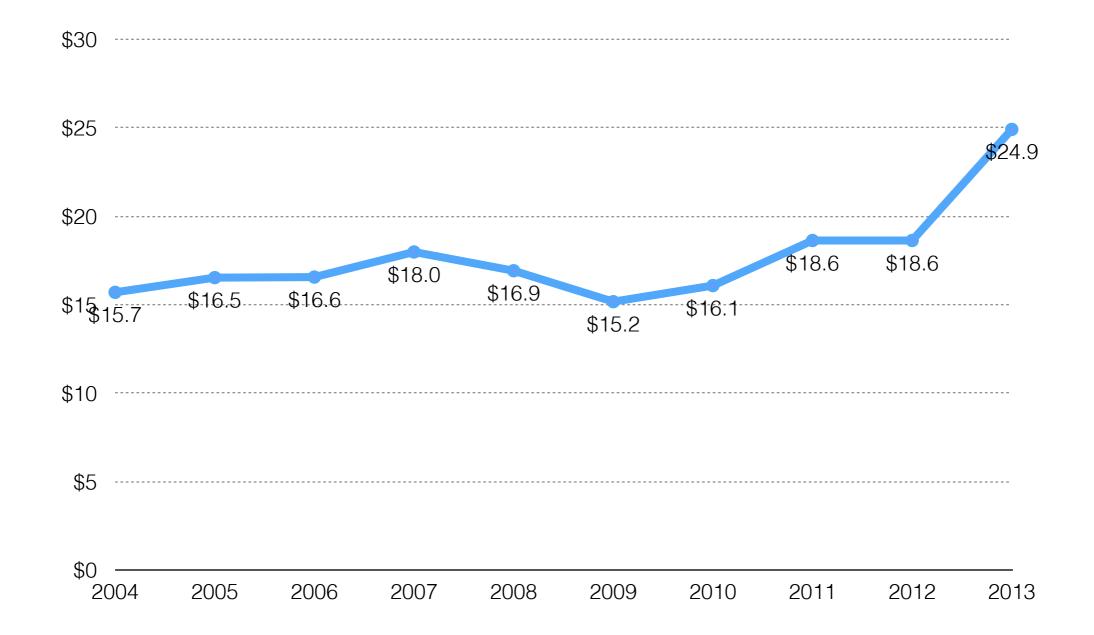
Source: *Student Debt and the Class of 2013*, The Institute for College Access and Success (TICAS). Includes data for 12/19 AIKCU institutions, all Kentucky public 4-year universities

While media coverage tends to focus on outliers, according to a 2014 report from the Brookings Institute, for wage earning households with borrowers in repayment the average monthly student loan payment is comparable to average monthly spending on entertainment, apparel, and health care.

Source: Akers, Beth, Brookings Institute, *The Typical Household with Student Loan Debt*, June 19, 2014, accessed online at <a href="http://www.brookings.edu/">http://www.brookings.edu/</a> research/papers/2014/06/19-typical-student-loan-debt-akers



#### Median AIKCU Endowment Value 2004-2013 (in \$ millions)



Endowments range from <\$1 million to \$1 billion (Berea College). Only 3 institutions have more than \$75 million.

Source: IPEDS

### Promoting collaboration and cost-savings

- AIKCU has developed nearly 50 business partnerships that leverage the size and purchasing power of the association to help bring better pricing and/or other advantages to our members. In addition to direct vendor partnerships, members can take advantage of the nationwide network of the Coalition for College Cost Savings and other large national consortia.
- AIKCU members developed the AIKCU Benefits Alliance, a self-funded health insurance program that launched in 2007 and now helps more than half of our member campuses (and several additional organizations) control health insurance costs.
- AIKCU facilitates regular collaborative meetings of campus staff groups from our 19 member institutions: CFOs, CAOs, student affairs, librarians, distance learning coordinators, compliance officers, etc.
- AIKCU coordinates professional development, bringing in experts to provide low or no cost training to member staff in areas like Title IX compliance, energy management, OSHA, and other critical areas.

### Challenges/Opportunities

- Public perception and anxiety about costs, value of degrees, and student debt
- Making the case for the small, private college model
- Stable, enlightened campus leadership
- Ability to innovate while maintaining traditional values
- Underfunded state financial aid programs
- Financial strain of serving large numbers of low-income students while facing rising fixed costs (salaries, health insurance, retirement plans, campus maintenance, etc.) within a labor-intensive delivery model
- Threats to federal student aid combined with increasing federal oversight
- Continued positive working relationships with Kentucky and federal education agencies and policymakers (CPE, EPSB, KDE, General Assembly, etc.)