● MICU introduction

● College enrollment in Michigan

● Financial aid utilization

● Student debt and the cost of college

● Building the future workforce
25 institutions

70,000 students
- 20% of the state’s bachelor’s seeking undergrads & 30% of state’s bachelor’s seeking undergrads over the age of 25.
● **16,850 degrees & certificates/yr**
  ○ 20% of the state’s bachelor’s degrees annually

● **10% of undergrads transferred from a community college**

● **11:1 Student to faculty ratio**
3 out of 10 undergraduates receive Pell grants*

6 out of 10 students are women
6 out of 10 degrees are awarded to women

4 out of 10 students are people of color
4 out of 10 degrees are awarded to students of color
The college enrollment cliff is dramatic, with fewer and fewer high school grads and fewer of those choosing to attend college.

66% down to 52%

30,000 fewer students enrolling each year = 5 freshman classes at independent colleges

2009/2010 compared to 2021/2022

Enrollment in college or university w/in 12 months of HS graduation
Michigan’s FAFSA completion rate is at 43.9%...
In-state enrollment in MI is now 47% of the HS graduating class, compared to 61% in 2008/2009.

The number of students leaving MI for college each year has not changed in over a decade, but represents a larger and larger share of the graduating class.
The class of 2022 in Michigan left $93,535,584 Pell dollars on the table.

Michigan ranks in the bottom 11 states nationally for unclaimed Pell funds. 50,000 Michigan high school grads never filled out a FAFSA.

20,605 students in the class of 2022 in Michigan were likely Pell eligible and never filled out a FAFSA. If they had, they may have been able to afford (and attend) college.

47% Michigan HS grads who never completed a FAFSA

20,605 Pell eligible students in Michigan who never filled out a FAFSA

$94 M Pell left on the table - MI 2022

*Data from National College Attainment Network
Since the 2008 peak, college enrollment among recent HS grads has declined by 41% to below 1990s levels.
Undergrad Enrollment 2011 to 2021 - Michigan

All Undergrads
-15% 4-year enrollment
-41% CC enrollment

Black Students
-31% 4-year enrollment
-51% CC enrollment

Hispanic Students
+66% 4-year enrollment
+21% CC enrollment

11% of the college population to 9%
14.1% of the Michigan population

3% of the college population to 6%
5.6% of the Michigan population
Of the 105,000 students lost in Michigan in the last decade, 73% (77,000) were Pell.
Student grants and scholarships - independent colleges MI

97% Institutional aid (grants & scholarships from the college or university)

33% Michigan tuition grant recipients

79% Projected incoming freshman class with Michigan Achievement Scholarship
Institutional Aid

Average Institutional Aid per Student - Michigan Independent Colleges

$7,679 $7,788 $8,946 $9,908 $10,710 $11,090 $12,319 $13,864 $14,950 $18,046 $18,340 $19,253 $20,834

171% increase in per student institutional aid since 2009

Total Sector Spend in 2021: $1.1 billion

Data: IPEDS Student Financial Aid
Student Grants & Scholarships in MI

Michigan currently has about 60k students receiving roughly $140 million in financial aid from 7 different programs (not including ReConnect).

The Michigan Achievement Scholarship will nearly double the number of students in the system in the 1st year alone and will triple the number of students with aid once fully implemented.

### Current Students Receiving State of MI Financial Aid

<table>
<thead>
<tr>
<th>All Institutions</th>
<th>Community Colleges</th>
<th>Public Universities</th>
<th>Independent Colleges</th>
</tr>
</thead>
<tbody>
<tr>
<td>60,267</td>
<td>12,838</td>
<td>28,095</td>
<td>19,334</td>
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</tbody>
</table>

### New Students Projected with Achievement

<table>
<thead>
<tr>
<th>All Institutions</th>
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</tr>
</thead>
<tbody>
<tr>
<td>185,596</td>
<td>44,463</td>
<td>111,188</td>
<td>29,945</td>
</tr>
</tbody>
</table>
Students with State of Michigan Grants & Scholarships for College

In 2021, just over 60,000 students in Michigan were awarded grant or scholarship aid for college from the state. Once the Michigan Achievement Scholarship is fully implemented this number will triple to 185,000 students with need-based aid from the state.

Data: Michigan Department of Treasury, MICU analysis of Michigan Achievement Scholarship projections
* Community College data does not include ReConnect enrollment
Student Debt- current students

- 54% of undergrads used federal loans in 2021
- 46% of undergrads DO NOT have loans (federal)
- Average loan = $6,803
  - 11% less in nominal terms and 26% less in 2021 compared to 2009 in real terms
- Average debt for bachelor’s degree recipient in MI- $30k
  (Parent-PLUS loans and private loans are not included)
Average Outstanding Student Loan Debt versus Average Outstanding Auto Loan Debt
(U.S. Quarterly Average 1993-2022, not seasonally adjusted)

Data: St. Louis Federal Reserve, College Board, National Center for Education Statistics, American Community Survey, Edmonds.com
Analysis: Michigan Independent Colleges and Universities
Average Annual Undergrad Loans Per Student - Michigan

Data: Integrated Postsecondary Education Data System, BLS CPI
Analysis: Michigan Independent Colleges & Universities
Student Debt- National picture

- 56% of debt is owed by graduate students
  - 3% of those with a grad degree owe 20% of the total debt
- 29% of debt is owed by those who used it for a bachelor’s
- 7% for associate’s degree
- 8% of debt holders never completed
Student Debt- All MI debt holders

- 73% of borrowers owe less than $30k
- 51% of borrowers owe less than $15k
- 58% of defaults are for amounts below $8,600

Completion matters, students who don’t graduate are 3x more likely to default
Loan Interest Savings: Achievement

- Average student should receive about $20,000 from MAS, saving the equivalent in loans
- They would also save about $18,651 in loan interest. Nearly the same amount as the principal

- An estimated 40,000 will receive the MAS in its first year, starting this fall 2023
- For this cohort of students, the scholarship will save $740 million in loan interest payments
Declining cost of college

Despite population rhetoric and the “sticker price” of college, the real cost for families is declining in Michigan. **We use average net price of attendance because it includes all costs of attending college, room & board, books, etc. and not just tuition and fees.**

For all undergraduate students attending a 4-year institution, the average net price of attendance in 2012 was $16,410. In 2021 this rose 16% to $18,851.

If adjusting for inflation, the 2021 net price in 2012 dollars was actually $15,326. 15% less than the cost in 2012.

For the poorest students, those from families making $48k or less annually the net price in nominal terms has not changed, growing a small margin from $11,365 in 2012 to $11,895 in 2021.

Adjusting for inflation, the 2021 cost of attendance for students with families making $48k or less dropped 15%, to $9,671.
The net price of attendance at 4-year institutions in Michigan has increased nominally by 16% since 2012, but in real terms the net price for students has declined by over $1,000.

For students from families making less than $48k per year, the net price has increased a modest $500 in nominal terms. In real dollars (used 2012 as the base) the net price has declined 15%, by $1,700.

Data: Integrated Postsecondary Education Data System (IPEDS), BLS CPI Inflation Calculator
Free-tuition programs associated with Michigan Achievement Scholarship

TO LEARN MORE, PLEASE VISIT WWW.MICOLLEGES.ORG/MEMBERS
In-State College Enrollment & Projections, Michigan 2018-2027

- College-Going in Michigan, recent HS grads (current projection)
- Additional Students Attending Because of MIAS

36,000 students will enroll in college between 2023 and 2027 who otherwise would not have attended.

Data: MI School Data, projections from MICU & Senate Fiscal Agency
Thank you!

Questions?

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