

CONDITION
OF HIGHER
EDUCATION
IN IOWA

2022





OUR MISSION

We advocate for and support Iowans as they explore, finance, and complete educational opportunities beyond high school to increase family and community success.

OUR MOTTO

Because college changes everything.

OUR VISION

All Iowans can achieve an education beyond high school.

EXECUTIVE DIRECTOR

Dr. Mark Wiederspan

DIVISION ADMINISTRATORS

Todd Brown, Financial Aid Program Administration

Julie Ntem, Fiscal, IT & State Authorization

Christina Sibaouih, Community Engagement

Dr. Meghan Oster, Research & Communications

RESEARCH

Joe Dullard

Dr. Haiying Li

Dr. Mitchell Lingo

COMMUNICATIONS

Ty Patton

Jamie Fisher

Tressa Schultz

FROM THE DIRECTOR

This seventh “Condition of Higher Education in Iowa” report summarizes college attainment, readiness, and success in Iowa. It also examines the actual price of college and how Iowans are financing their postsecondary education.

As expected, the COVID-19 global pandemic created less than desirable effects relative to attainment, readiness, and success. However, Iowa remains one of the national leaders in high school graduation rates and ACT scores. Additionally, Iowa exceeds the national average of citizens with an associate’s degree or higher level of education. Our FAFSA completion rates also stabilized after a period of pandemic-related declines. We hope this indicates that we are on the verge of reversing some of the undesirable effects of COVID-19.

This report also details how the pandemic exacerbated many of the equity gaps that existed before 2020. These significant racial and socioeconomic gaps in the college-going pipeline remain—gaps we must address to meet the state’s education goals.

“Because College Changes Everything” is Iowa College Aid’s motto and it continues to be proven true within this report. The opening chapter details how individuals with a postsecondary education earn higher wages, are more likely to be employed, and pay more in taxes while relying less on social services.

For these reasons, Iowa College Aid remains committed to making higher education a possibility for every Iowan, and it drives our mission to advocate for and support Iowans as they explore, finance, and complete postsecondary education.



Mark Wiederspan

Mark Wiederspan
Executive Director
Iowa College Aid

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CHAPTER 1 COLLEGE ATTAINMENT

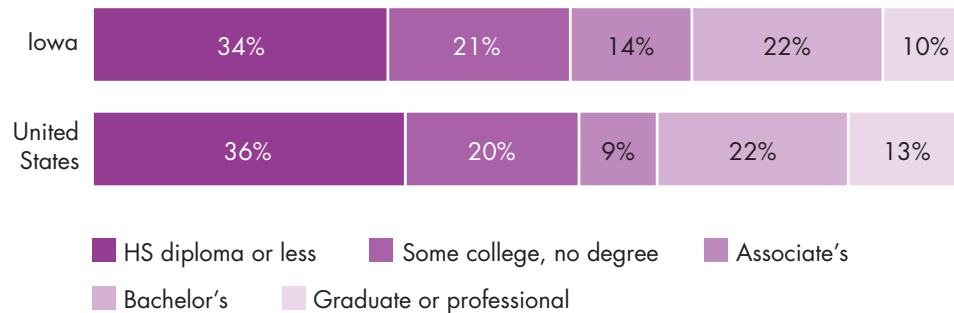
In this chapter, we report **current levels** of college attainment in Iowa and the **benefits of higher education**, both financially and societally, for individual Iowans and Iowa as a whole.

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COLLEGE ATTAINMENT IN IOWA

As of 2020, Iowa has a higher percentage of residents with at least an associate's degree than the nation (46% vs 44%), as shown in Figure 1. This difference is driven by a larger share of Iowa residents earning an associate's degree. A lower percentage of Iowa residents have a graduate or professional degree than the nation (10% versus 13%).

Figure 1. Education Levels in Iowa and the Nation



Sample consists of individuals between the ages of 25 and 64. Percentages may not add up to 100 due to rounding.

Source: U.S. Census, 2020 ACS 5-year estimates

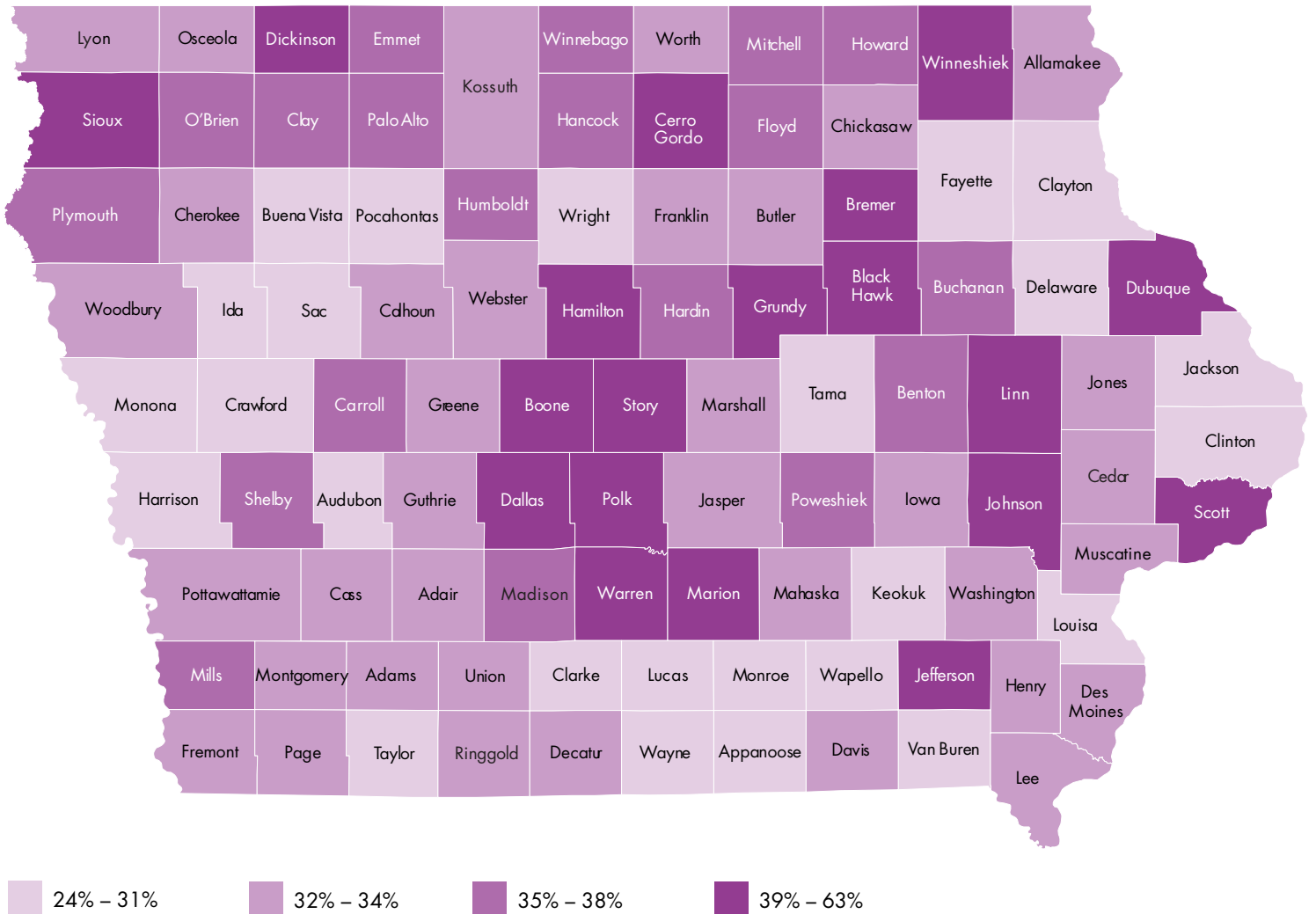
In Iowa, educational attainment of an associate's degree or higher has increased from 42% in 2015 to 46% in 2020 (U.S. Census). While the percentage of associate's and graduate or professional degrees each increased by one percentage point, the percentage of bachelor's degrees increased by two percentage points.

Also important to Iowa's educational goals are sub-baccalaureate certificates and technical degrees. The U.S. Census does not provide data on these types of credentials. However, Iowa's annual Laborshed Survey, using a different methodology and considering sub-baccalaureate credentials, found that 62% of Iowans held some form of postsecondary credential or degree (Iowa Workforce Development, Laborshed Studies Survey, 2022)¹.

¹ Includes anyone with a trade certificate, vocational training, AA, BA, and graduate or professional degree.

In Figure 2, we show the residential patterns of those Iowans with an associate’s degree or higher by county. Throughout the state, the highest education levels are either in the major metropolitan centers and their surrounding counties or in counties with a postsecondary institution.

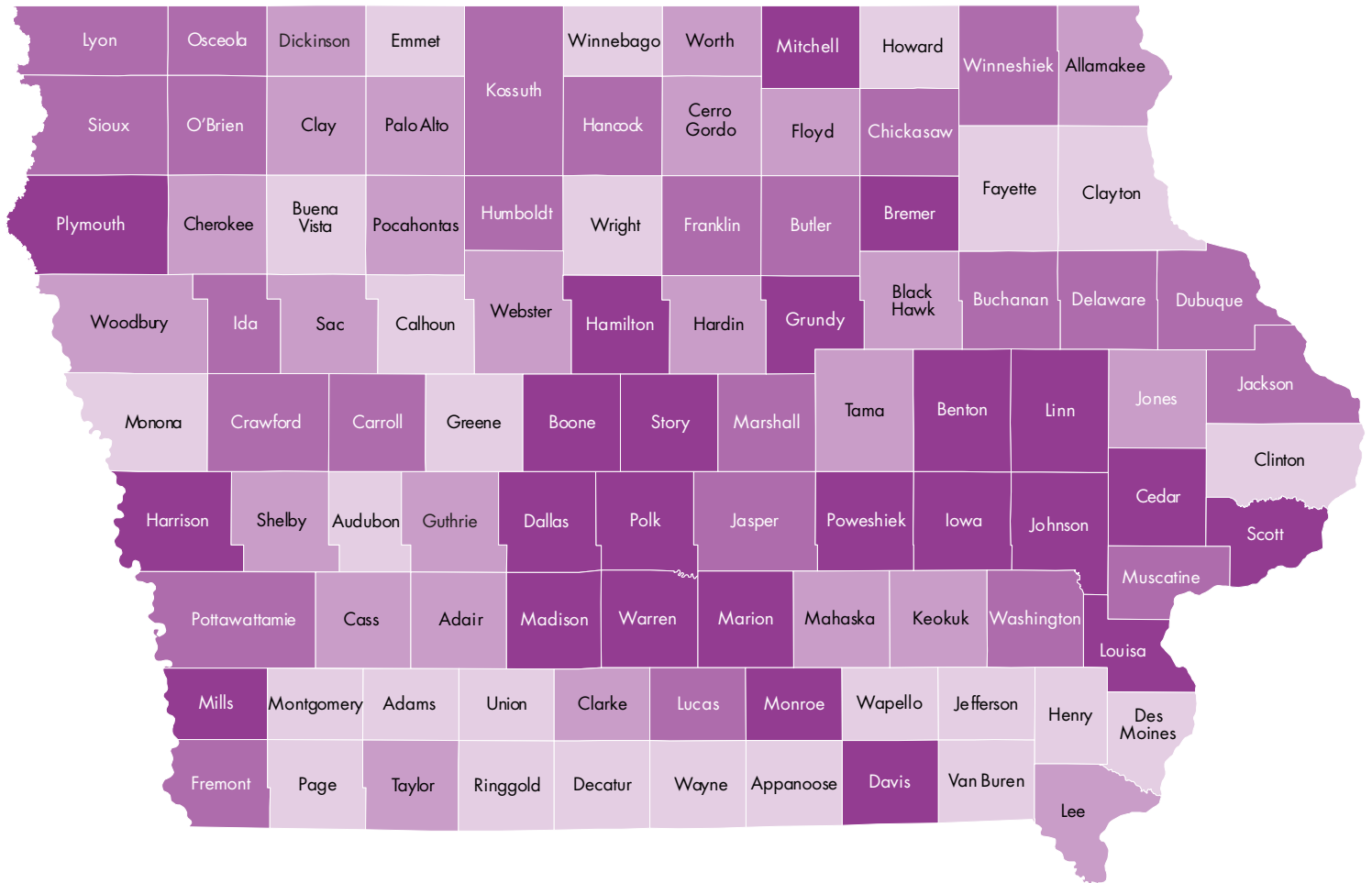
Figure 2. Percentage of Residents with an Associate’s Degree or Higher in Iowa by County



Source: U.S. Census, 2020 ACS 5-year estimates. Sample consists of individuals between the ages of 25 and 64.

In Figure 3, we present the median earnings in Iowa by county. Throughout the state, there is a remarkably similar overlap between counties with the highest percentage of Iowans with an associate's degree and higher median earnings levels.

Figure 3. Median Earnings in Iowa by County



\$28,540-\$36,325 \$36,363-\$38,901 \$39,016-\$41,280 \$41,328-\$57,607

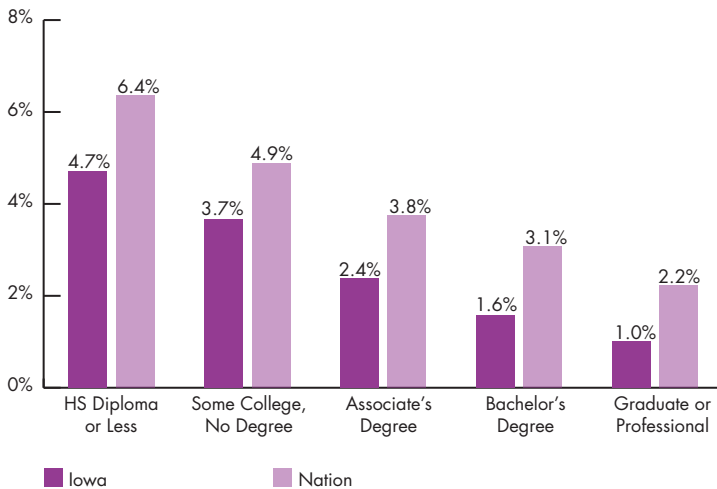
Source: U.S. Census, 2020 ACS 5-year estimates. Sample consists of individuals between the ages of 25 and 64.

EMPLOYMENT BENEFITS

Relative to the nation, Iowa has lower unemployment rates across education levels (see Figure 4). In 2020, the unemployment rates in Iowa were approximately one to two percentage points lower than the nation's. Unemployment levels decreased as education level increased for Iowans and the nation. For example, among Iowans with a high school diploma or less, the unemployment rate was 5%. In comparison, less than 2% of Iowans with a bachelor's degree experienced unemployment.

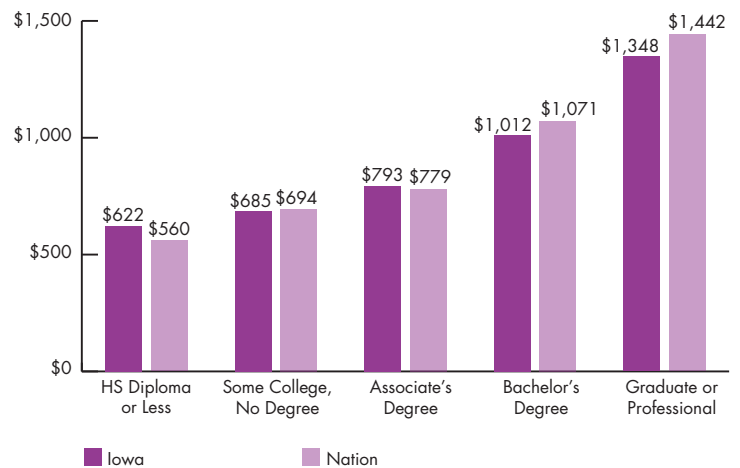
Within Iowa and nationwide, median weekly earnings increased as education increased. In general, Iowa residents with an associate's degree or some college make about the same and slightly more than the median worker in the United States, while those with a high school degree or some college make 11% more than the national median weekly salary. Iowans with a bachelor's degree make around 6% less than the median worker in the nation with the same education level. Iowans with a graduate or professional degree earn less than 7% than the national average. This amounts to an average median income difference of \$3,100 and \$4,900 throughout the year.

Figure 4. Unemployment Rates in Iowa and the Nation



Sample consists of individuals between the ages of 25 and 64.
Source: U.S. Census, 2020 ACS 5-year estimates

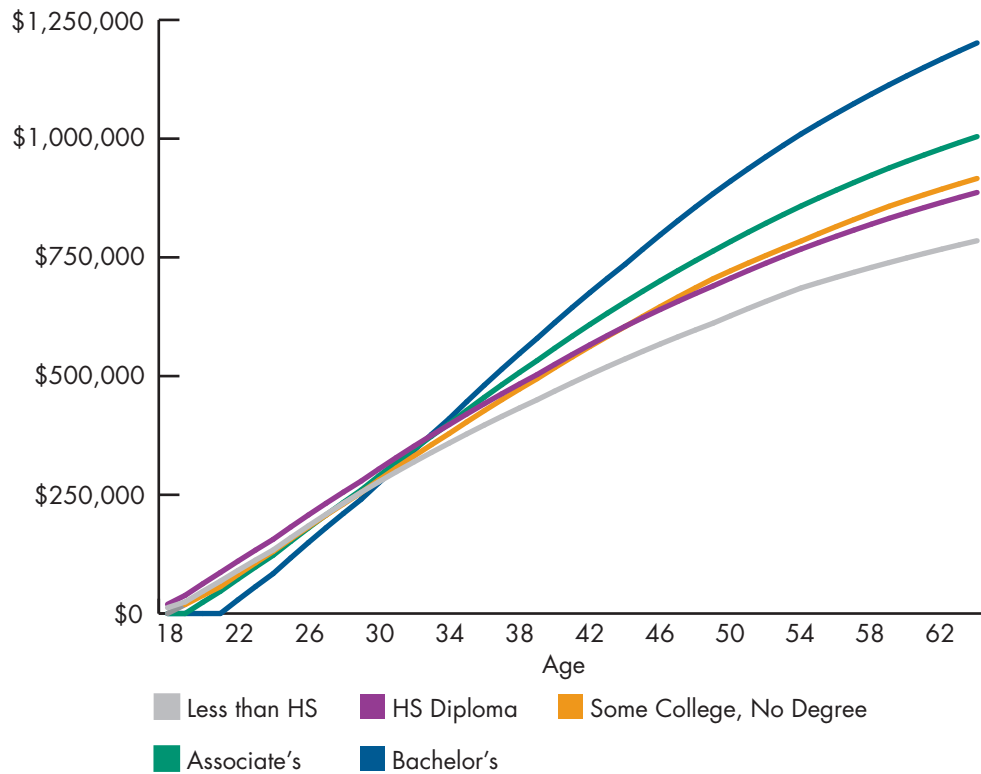
Figure 5. Median Weekly Earnings in Iowa and the Nation



Sample consists of individuals between the ages of 25 and 64.
Source: U.S. Census, 2020 ACS 5-year estimates

Evidence suggests a high return on investment in postsecondary education for all levels of education beyond high school. Figure 6 displays the cumulative full-time earnings, accounting for forgone wages and student loan payments, over a 10-year period. Iowans who enroll at age 18 and graduate from a four-year or two-year institution can expect their cumulative earnings to surpass a high school graduate's earnings by age 33. Overall, Iowans with bachelor's degrees out-earn those with associate's degrees by nearly \$200,000 by age 64.

Figure 6. Cumulative Earnings Net of Forgone Earnings and Student Loan Repayment in Iowa



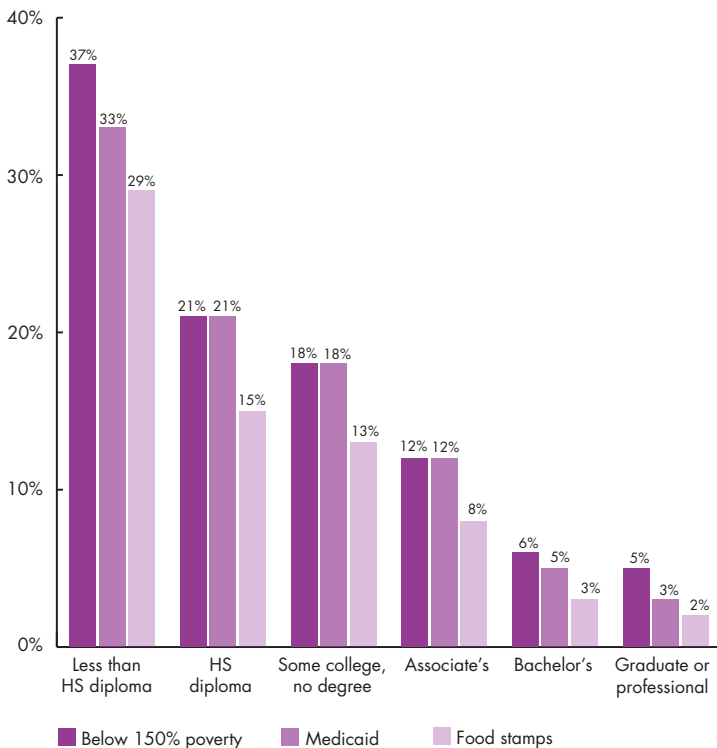
Adapted from College Board's (2019) Education Pays. Figure uses median earnings for Iowans who are employed full-time for the full year and excludes individuals who earn graduate or professional degrees. Student loan payments are calculated on a 10-year repayment schedule with a 5% interest rate. Earnings and loan payments are discounted at a 3% annual rate beginning at age 18. Sources: U.S. Census, 2020 ACS 5-year estimates & Iowa College Aid Student Loan Debt of Graduates.

PUBLIC BENEFITS

An educated population has fewer demands on government-sponsored, tax-funded programs. Figure 7 displays the share of Iowans below the poverty line and the use of other public social welfare programs. As education increased, poverty and dependency on public assistance programs decreased. For example, almost 40% of Iowans with less than a high school diploma were below 150% of poverty. Meanwhile, 6% of bachelor's degree holders were below that threshold.

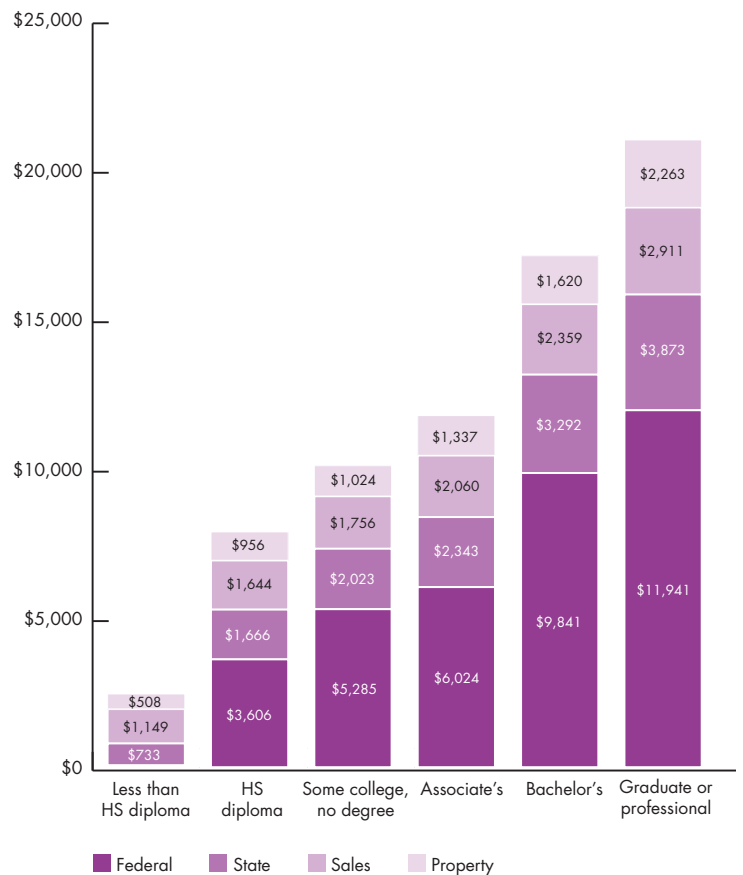
In addition to relying less on social welfare programs, individuals with postsecondary degrees also contributed more to the tax base in Iowa. Figure 8 details that individuals with a high school diploma contributed about \$7,800 in taxes annually. The average individual who enrolls in college but has no degree contributed around \$10,100 annually in taxes. Iowans with an advanced postsecondary education contributed nearly \$21,000 on average to taxes, almost double that of Iowans graduating with an associate's degree.

Figure 7. Share of Iowans Below Poverty Threshold and Use of Public Social Welfare Programs



Sample consists of Iowans between the ages of 25 and 64. Sources: U.S. Census, 2017 ACS 5-year estimates; BLS, 2015, 2016, 2017 & 2018 Annual Social and Economic Supplement

Figure 8. Estimated Taxes Paid by Iowans



Sample consists of Iowans between the ages of 25 and 64. Source: BLS, 2015, 2016, 2017, 2018, & 2019 Annual Social and Economic Supplement; Wiehe, et al. (2018).

CHAPTER 2 COLLEGE READINESS

In this chapter, we highlight **key indicators** of college readiness in Iowa. These metrics track whether high school students are **academically prepared** for college.

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HIGH SCHOOL GRADUATION RATES

In 2018-19, Iowa had the nation's second-highest high school graduation rate, based on the proportion of ninth-graders who earned a high school diploma within four years. In 2016-17, Iowa had the nation's highest high school graduation rate. In addition, between 2016-17 and 2018-19, Iowa moved up in rankings for Hispanic students, economically disadvantaged students, and students with disabilities. However, Iowa dropped in rankings for white, Asian/Pacific Islander, American Indian/Alaska Native, and limited English proficiency students.

Table 1. Iowa High School Graduation National Rankings

Student group	2016-17 rank	2018-19 rank
Iowa overall	1st	2nd
White	4th (tie)	6th (tie)
Hispanic	12th	9th (tie)
Black	13th	13th
Asian/Pacific Islander	21st (tie)	26th (tie)
American Indian/Alaska Native	9th (tie)	23rd
Economically disadvantaged	8th	4th
Limited English proficiency	4th	6th
Students with disabilities	11th	10th

Sources: National Center for Education Statistics Digest 2018 Table 219.46 & National Center for Education Statistics Digest 2020 Table 219.46.

From 2016-2017 to 2018-2019, Iowa’s overall high school graduation rate increased slightly from approximately 91% to 92%. The high school graduation rate for Hispanic students increased three percentage points from 82% to 85%, the largest percentage point increase, while the rate for American Indian/Alaska Native students decreased six percentage points from 83% to 77%, the largest decrease.

The composition of high school graduates has changed slightly over the last eight years. In 2013-14, 84% of all high school graduates were white/non-Hispanic. By 2020-21, that figure had decreased to 78%, a six percentage point drop. High school graduates are becoming more racially and ethnically diverse in Iowa.

Figure 1. Iowa High School Graduation Rates

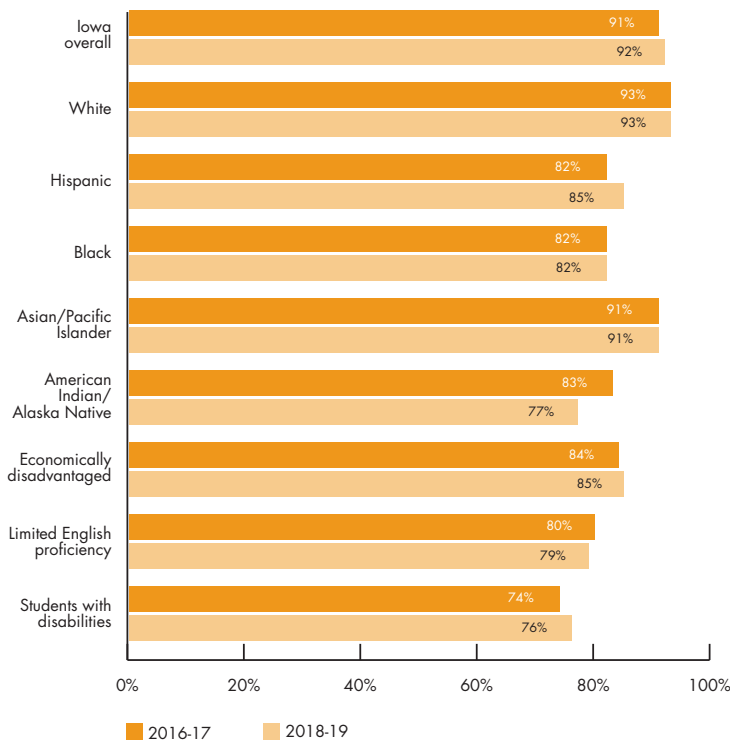
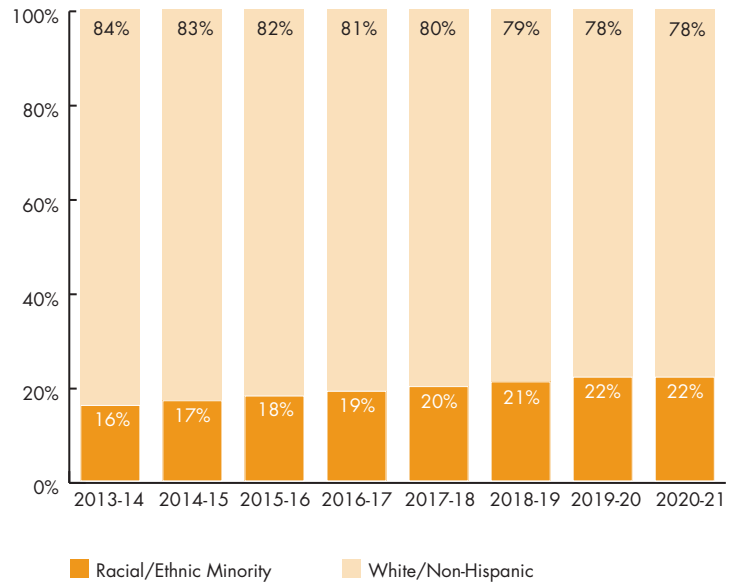


Figure 2. Racial Composition Of On-Time High School Graduates



Source: Iowa Department of Education, Bureau of Information and Analysis, Student Reporting in Iowa (SRI) Files

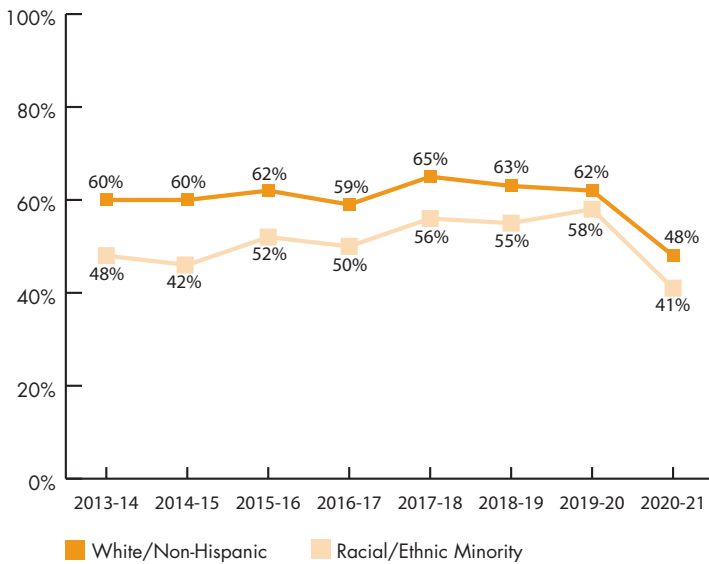
Sources: National Center for Education Statistics Digest 2018 Table 219.46 & National Center for Education Statistics Digest 2020 Table 219.46

ACT BENCHMARKS

ACT/SAT high school student participation continues to evolve. In 2013-14, about half of racial/ethnic minority students completed the ACT/SAT whereas about two out of three white/non-Hispanic students did. By 2019-20, about 58% of racial/ethnic minority students took standardized tests, and about 62% of white/non-Hispanic students did as Figure 3 depicts. Racial/ethnic minority student participation increased by 10 percentage points during this period. In contrast, white/non-Hispanic increased by two percentage points, almost closing the gap between racial/ethnic minority students and white/non-Hispanic students. However, for the graduating class of 2021, ACT/SAT participation declined substantially to less than 50% of students taking the tests. This reduction is likely related to the Regents universities and other higher education institutions changing their admissions policies and making standardized tests optional.

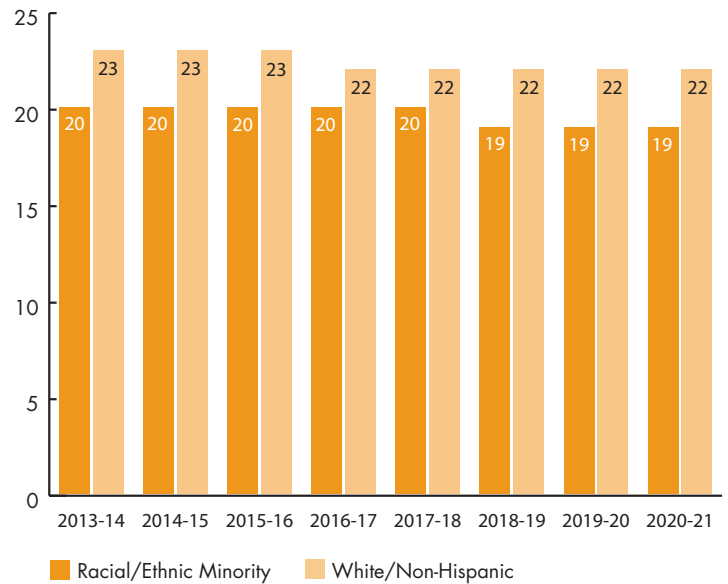
Figure 4 details the average ACT/SAT score for white/non-Hispanic and racial/ethnic minority students has declined by one point from 2013-2014 to 2020-2021 for students who took the tests. Despite that a smaller percentage of students taking the test, test scores have remain nearly unchanged.

Figure 3. ACT/SAT Participation by Race/Ethnicity



Source: Iowa Postsecondary Readiness Report's PREP Trendlines.

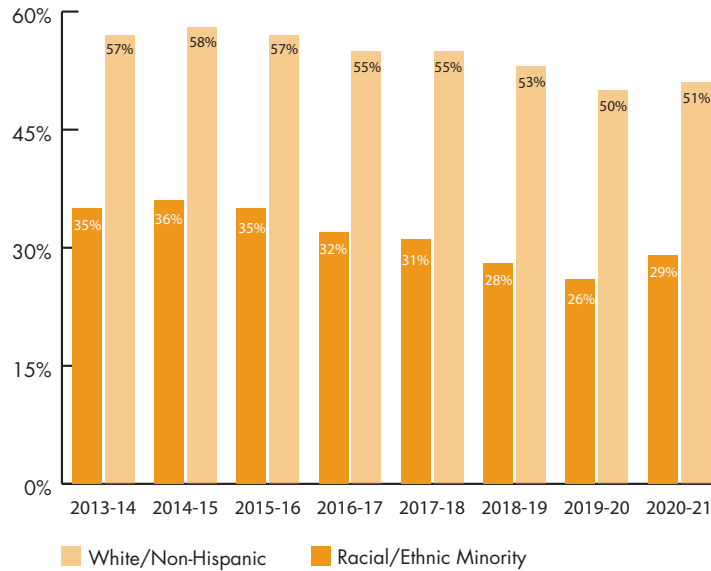
Figure 4. Average ACT Score of High School Graduates by Race/Ethnicity



Source: Iowa Statewide Longitudinal Data System

Overall success on the ACT/SAT has declined in Iowa. Success is defined as earning a 22 or higher ACT composite score or 1110 or higher SAT total score. Figure 5 shows that of students who took the ACT/SAT, 57% of white students were successful in 2013-14; this figure declined to 51% in 2020-21. For racial/ethnic minority students, success declined from 35% in 2013-14 to 29% in 2020-21, a six percentage point decrease.

Figure 5. Success on ACT or SAT by Race/Ethnicity



Source: Iowa Statewide Longitudinal Data System

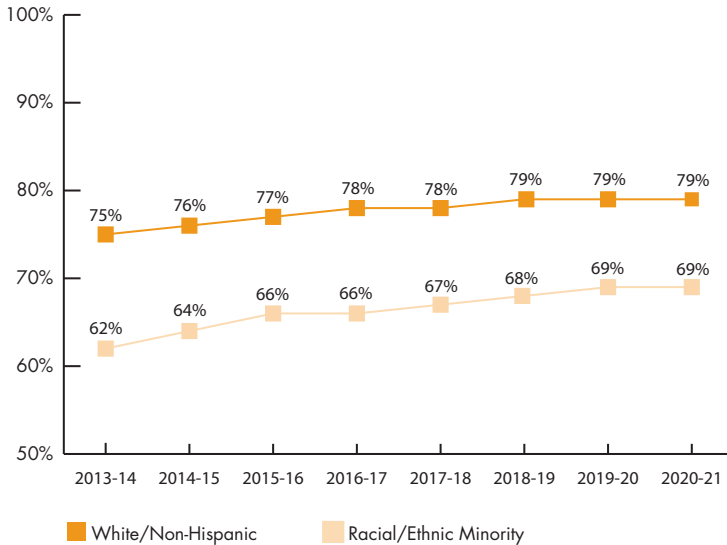
CONCURRENT ENROLLMENT

Figure 6 shows the proportion of high school graduates who participated in college-level courses during high school. The percentage of white students participating in college-level courses during high school increased from 75% to 79%, a four percentage point increase. The proportion of racial/ethnic minority students participating increased from 62% to 69%, a seven percentage point increase.

FAFSA COMPLETION

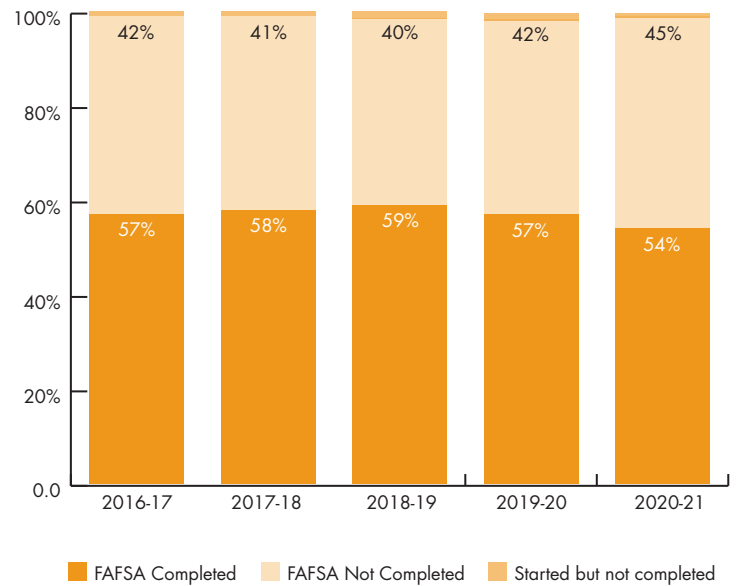
The Free Application for Federal Student Aid (FAFSA) filing rate for high school seniors has declined. Figure 7 depicts that 57% of the class of 2017 filed a FAFSA, whereas 54% of the class of 2021 did, a three percentage point decline.

Figure 6. Iowa High Schoolers in College-Level Courses



Source: Iowa Postsecondary Readiness Report's PREP Trendlines

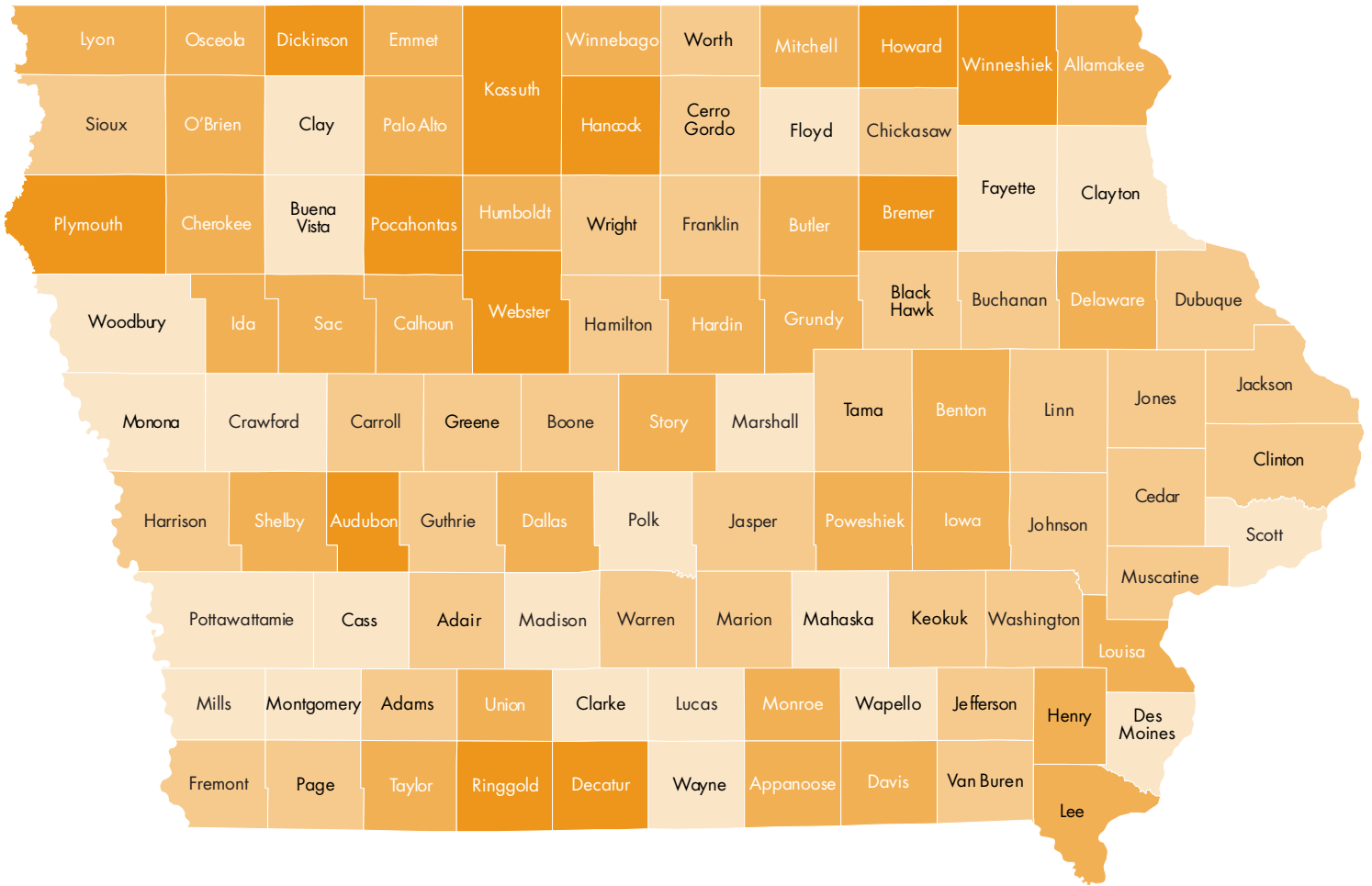
Figure 7. High School FAFSA Filing Rate



Source: Iowa College Aid. FAFSA rates are as of Sept. 30 each year.

Figure 8 provides the FAFSA rates by county for the class of 2021. Generally, schools in urban areas have lower FAFSA completion rates than rural schools. This trend has been similar over time. (Iowa College Aid, 2022a)

Figure 8. FAFSA Filing by County, High School Graduating Class of 2021



39% – 50% 51% – 58% 59% – 66% 67% – 85%

Source: Iowa College Aid. FAFSA rates are as of September 30th each year.

CHAPTER 3 COLLEGE ACCESS & SUCCESS

In this chapter, we examine college access and success at institutions in Iowa. We measure access by **enrollment**, and success by **retention**, **persistence**, and **graduation** rates.

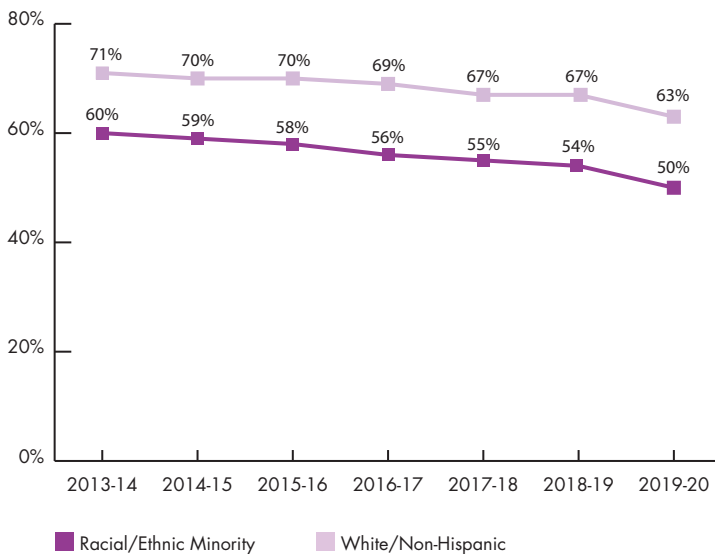
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COLLEGE ENROLLMENT RATES

Figure 1 shows the percentage of high school graduates entering college any time in the year immediately after graduating high school. Between the 2014 and the 2021, there has been a consistent and steady decline in the percentage of Iowa high school graduates going to college. As the percentage of white students enrolled in college decreased by nine percentage points, racial/ethnic minorities experienced a decrease of 12 percentage points in the state. The gap between the two groups grew from 11 to 13 percentage points from 2013-14 to 2019-20.

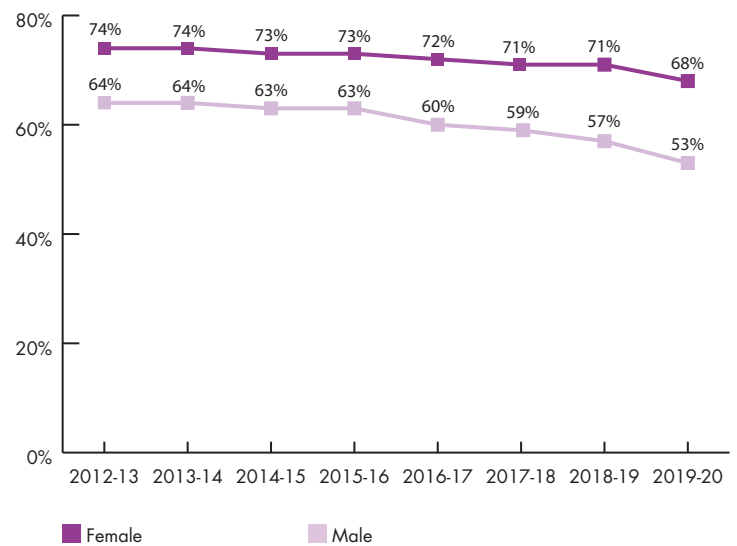
Figure 2 indicates how college enrollment differed between gender among Iowa's high school graduates. Students reporting as male and female students both decreased in their likelihood of enrolling in college over the period. Though students reporting as female had a 10 percentage point advantage in going to college over students reporting as males, the gap increased substantially to 15 percentage points from 2012-13 to 2019-20.

Figure 1. College-Going Rates by Cohort and Race/Ethnicity



Source: Iowa Statewide Longitudinal Data System

Figure 2. College-Going Rates by Cohort and Gender



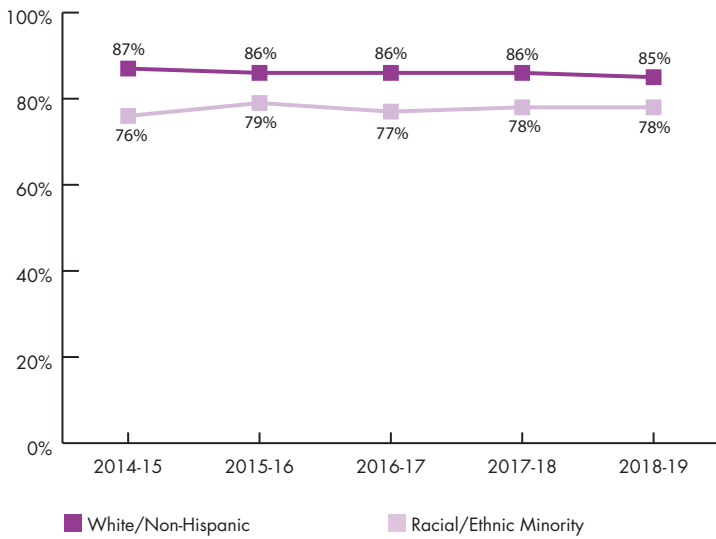
Source: Iowa Statewide Longitudinal Data System

PERSISTENCE RATES

Figure 3 indicates the fall-to-fall persistence rates by entering first-year students for both white and racial/ethnic minority students. The persistence rates of white students dropped two percentage points and increased two percentage points among racial/ethnic minority students between 2014 to 2019. White students remain seven percentage points more likely to persist than their racial/ethnic minority peers.

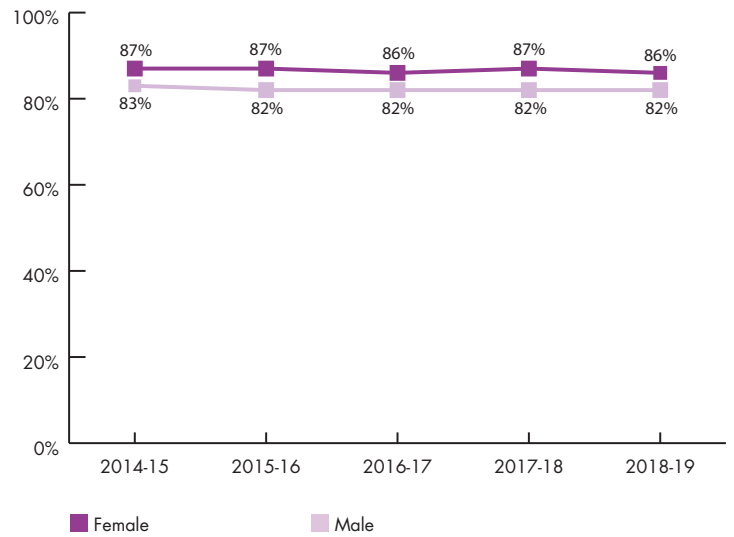
Figure 4 shows the difference in second-year persistence by entering cohort and gender of Iowa high school graduates. Second-year persistence continues to remain stagnant throughout the period, with a little more than 80% of males and 85% of females continuing onto a second year of college.

Figure 3. Second Year Persistence by Entering Cohort Year and Race/Ethnicity



Source: Iowa Statewide Longitudinal Data System

Figure 4. Second Year Persistence by Entering Cohort Year and Gender



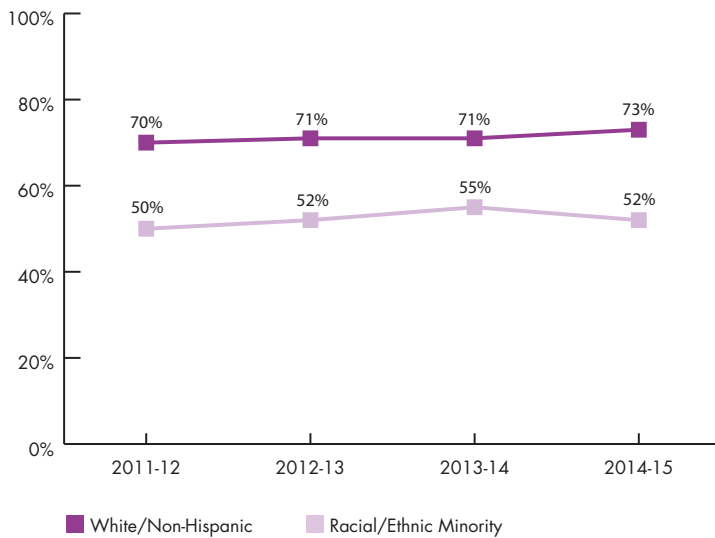
Source: Iowa Statewide Longitudinal Data System

GRADUATION RATES

Figure 5 indicates the percentage of college enrollees by graduating high school class who graduated within six years with a degree/credential. Between the class of 2012 and 2015, the graduation rate for white and racial/ethnic minority students grew by three and two percentage points, respectively. A 21 percentage point gap exists between white and racial/ethnic minority students in graduation rates.

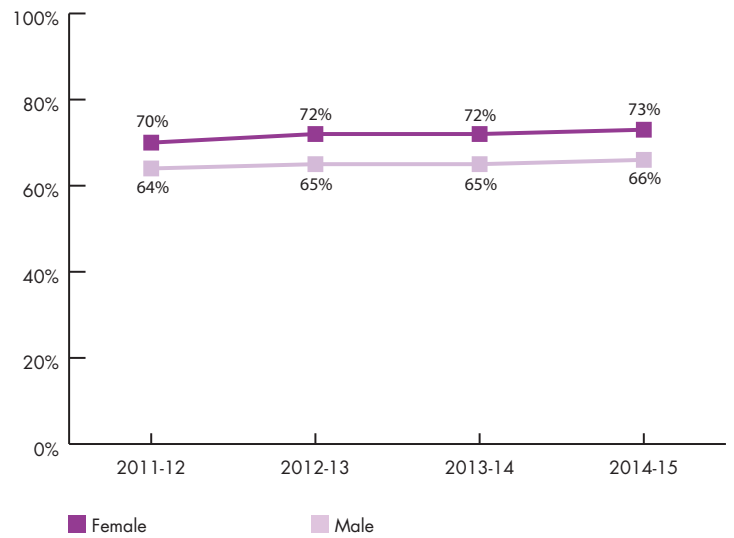
Figure 6 explores how six-year graduation rates differed between gender. Over the period, students reporting as female increased their graduation rates of any postsecondary credential by three percentage points, while students reporting as male raised theirs by two percentage points.

Figure 5. Six Year Graduation Rate by Entering Cohort Year and Race/Ethnicity



Source: Iowa Statewide Longitudinal Data System

Figure 6. Six Year Graduation Rate by Entering Cohort Year and Gender



Source: Iowa Statewide Longitudinal Data System

CHAPTER 4 COLLEGE PRICE

In this chapter, we explore cost of attendance and net price. **Cost of attendance** is tuition (the “sticker price”) plus fees, room, and board. **Net price** is actual cost after financial aid.

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All information discussed regarding costs/prices of attending colleges are adjusted for inflation and are expressed in July of 2021 dollars. Additionally, we weight the data by institutional enrollment among each sector to produce within-sector averages. We also provide the relative change in costs/prices from year-to-year. The relative change indicates the percent change in costs/prices. As the original values are adjusted for inflation, these relative changes reflect the increase or decrease above and beyond inflation from the previous year. Therefore, the closer the relative value is to 0, the closer the cost/price change of the prior year is to inflation.

COST OF ATTENDANCE

The average cost of attendance (COA) reflects the weighted enrollment average of tuition, room, board, fees, and other expenses indicated by institutions’ financial aid offices. Since 2014, the overall COA for community colleges and for-profit institutions has been relatively stable. Meanwhile, the average COA for a private non-profit institution and Regents university grew by nearly \$4,000 and \$1,600, respectively. This amounts to a respective 8% and 3% increase. However, with the dramatic drop in COA between the 2019-20 and 2020-21 academic years, it is likely inflation attenuated the degree to which COA may have otherwise increased during the period.

Figure 1. Average Cost of Attendance

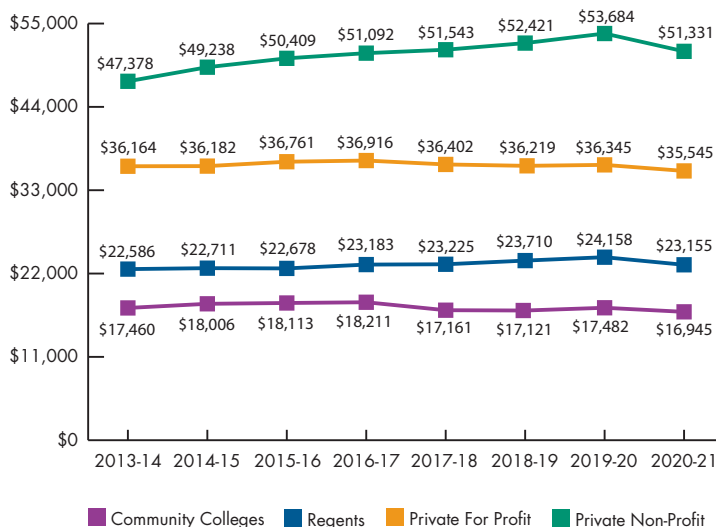
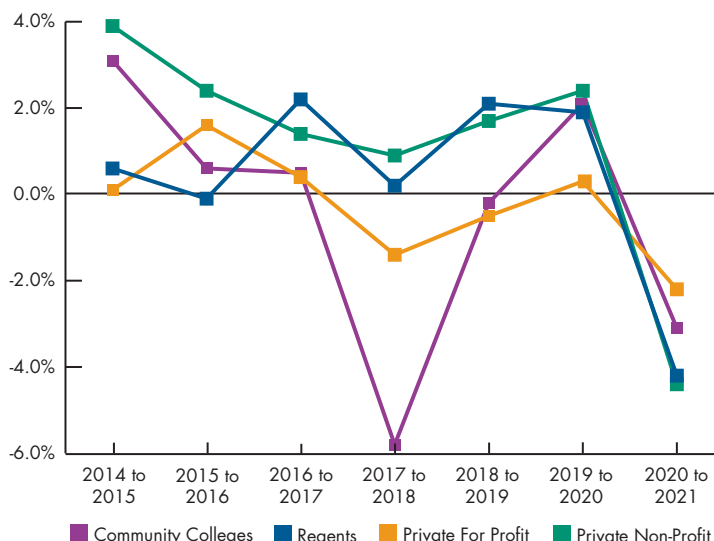


Figure 2. Relative Change in Cost of Attendance



Source: IPEDS College Navigator Web site and the IPEDS Data Center. Price of attendance for full-time, first-time undergraduate students for the FULL ACADEMIC YEAR: (Tuition and fees, books and supplies, room and board, and other expenses are those amounts used by your financial aid office for determining eligibility for student financial assistance). All values are adjusted to the July 2021 Consumer Price Index-Urban and are weighted for institutional enrollment for each sector.

TUITION

Except for private non-profit institutions, adjusted tuition has increased between \$300 and \$700 since 2013-14. At private non-profit institutions, tuition increased by nearly \$3,000. But these values may mask the true extent of tuition price increases. Though the relative change in tuition price fluctuated within and between sectors, the overall increase throughout the period was 9% for community colleges and 11% for private non-profit institutions. Meanwhile, private for-profit and Regents had overall increases between 3% and 5%. These compounding changes might have been more significant if not for inflation surrounding the pandemic and higher education institutions not raising their tuition prices to meet inflation.

Figure 3. In-State Tuition

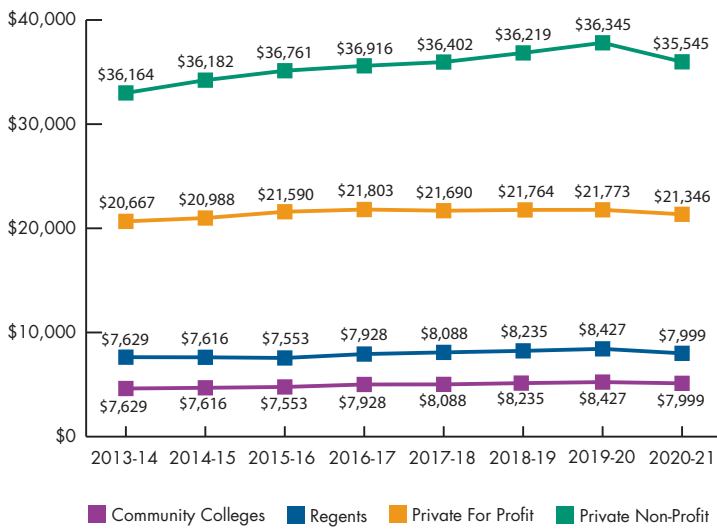
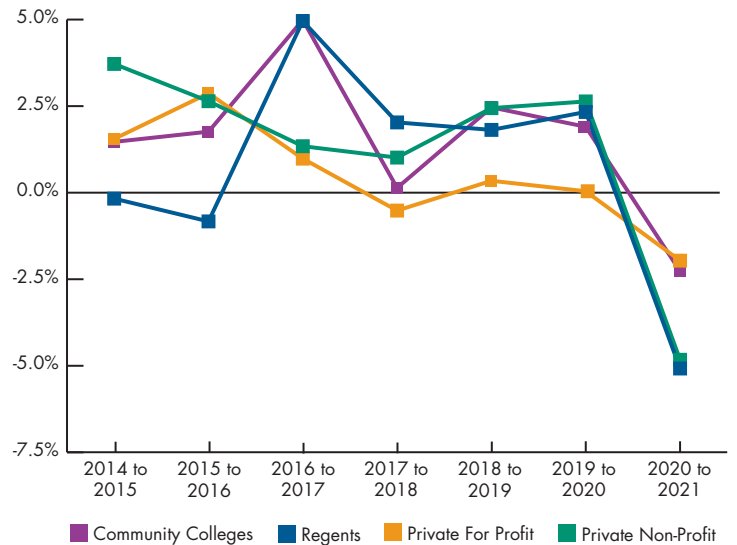


Figure 4. Relative Change in Average In-State Tuition



Source: IPEDS Data Center. All values are adjusted to the July 2021 Consumer Price Index-Urban and are weighted for institutional enrollment for each sector.

FEES

Institutions within all sectors continued to increase fees. Regents saw the smallest growth at \$23, while private non-profit institutions grew the largest by over \$230. Fees at community colleges grew by \$110, and fees at private for-profit colleges grew by \$110. The relative changes in fees from year-to-year varied largely between sectors. For example, private non-profits had an average increase of more than 20% and 10% in the transitions between the 2013-14 to 2014-15 academic years and the 2018-19 to 2019-20 academic years. Community colleges had an average increase of more than 10% in the 2013-14 to 2014-15 transition but increases of more than 10% in two other transitions. The trends indicate an increasing reliance on student fees at non-Regents institutions.

Figure 5. Average In-State Required Fees

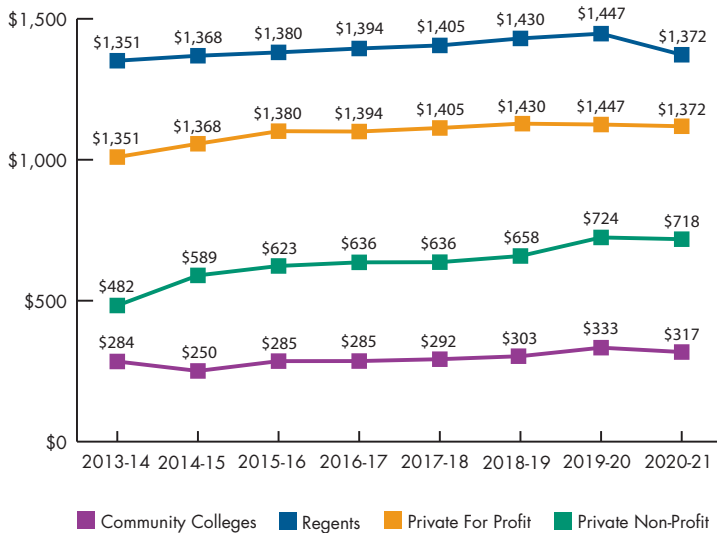
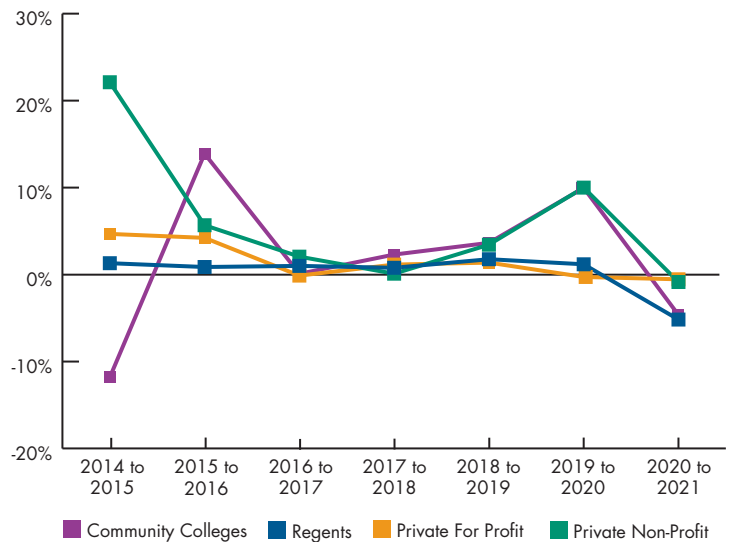


Figure 6. Relative Change in Average In-State Fees



Source: IPEDS Data Center. All values are adjusted to the July 2021 Consumer Price Index-Urban and are weighted for institutional enrollment for each sector.

ROOM AND BOARD

Although there were changes in the room and board at community colleges and private for-profit institutions, the cost of room and board is almost the same in 2020-21 as in 2013-14. Private non-profit and Regents' institutions room and board costs grew by \$836 and \$542, respectively. In several years, community colleges had either decreased relative room and board from year-to-year or kept it nearly the same price. Meanwhile, the smaller increase among private non-profit and Regents' institutions compounded the overall increase by 9 and 6%, respectively.

Figure 7. Average In-State Room and Board

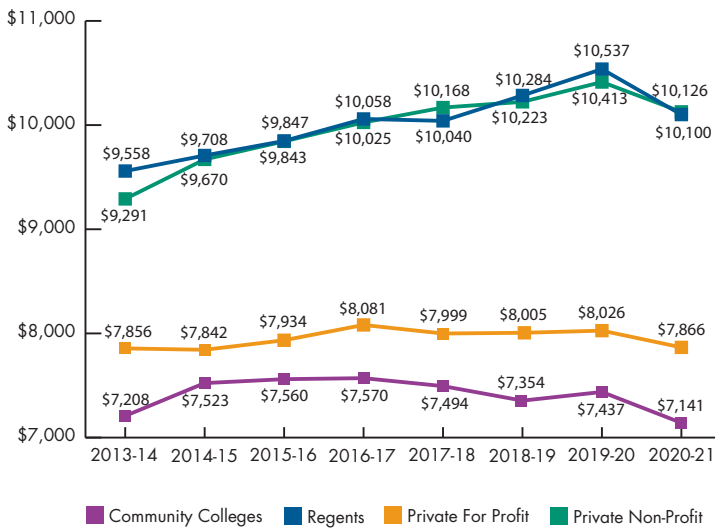
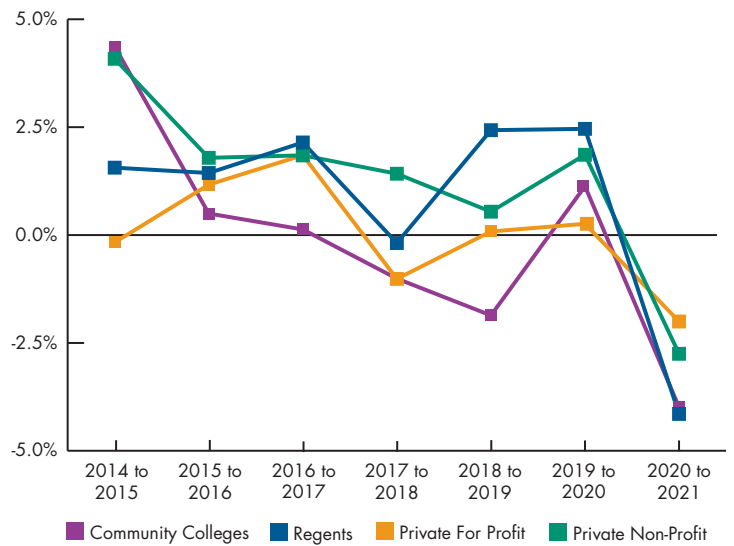


Figure 8. Relative Change in Average In-State Room and Board



Source: IPEDS Data Center. All values are adjusted to the July 2021 Consumer Price Index-Urban and are weighted for institutional enrollment for each sector.

NET PRICE

The average net price is calculated by taking the COA and subtracting the average of all forms of grant and scholarship aid. As many institutions have various forms of aid unaccounted for in the COA, the net price allows students to compare the typical costs associated with attending various types of institutions. Unlike the other data, we only have values for 2019-20, but all values are adjusted to 2021 to account for inflation.

Throughout the period, the net price of attending a community college in Iowa dropped by nearly \$1,200. At the same time, private non-profits remained relatively stable in net price with an increase of only \$64. Regents' institutions had the highest increase of \$1,160, while the net price at a private for-profit institution increased by nearly \$600. Within and between sectors, there is wide variation in the fluctuation of net-price from year to year. Over the period, community colleges experienced the largest relative decline in net price, 10%, and Regents experienced the largest relative increase at 7%.

Figure 9. Average In-State Net Price

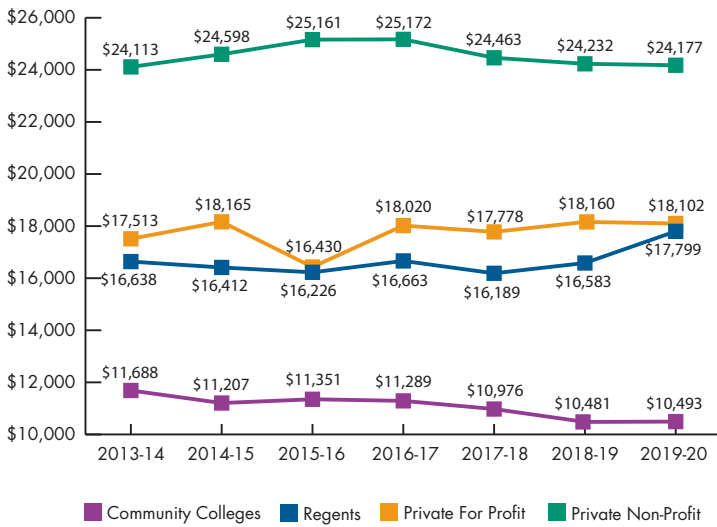
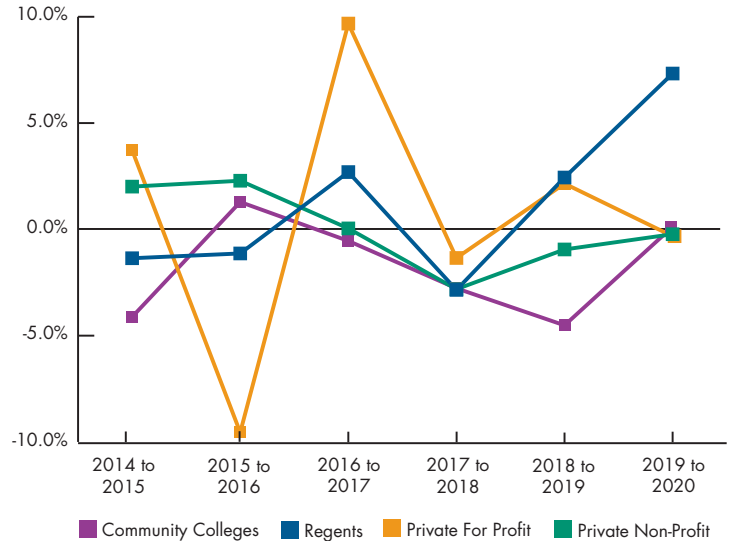


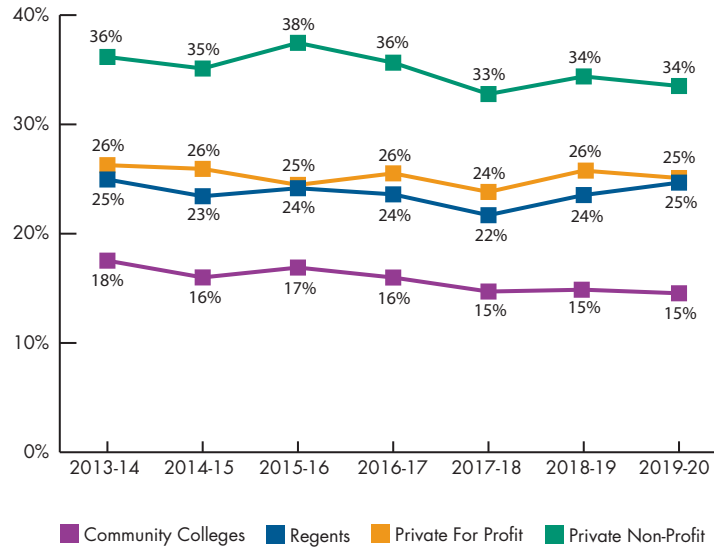
Figure 10. Relative Change in Average Net Price



Source: United States Department of Education College Scorecard. An institution's net price is the cost of attendance of a full-time student subtracted from the average amount of grant and scholarship aid students receive at the institution. All values are adjusted to the July 2021 Consumer Price Index-Urban and are weighted for institutional enrollment for each sector.

Across all sectors, net price as a percentage of median income dropped between 2013-14 and 2019-20. As a result, the net price of college is becoming less of a burden relative to the median income of families in the state. Community colleges had the most significant decrease of just under three percentage points, while private non-profit colleges had the second largest decrease of two and a third percentage points. Private for-profit institutions decreased by over one percentage point, and Regents' institutions had the smallest decline of nearly a third of a percentage point.

Figure 11. Average In-State Net Price as a Percentage of Median Income



Source: The United States Department of Education College Scorecard. All values are adjusted to the July 2021 Consumer Price Index-Urban and are weighted for institutional enrollment for each sector.

CHAPTER 5 FINANCIAL AID

Financial aid is critical to postsecondary education. In this chapter, we detail **metrics** of the financial aid process, from filing the **FAFSA** to paying back **student loans**.

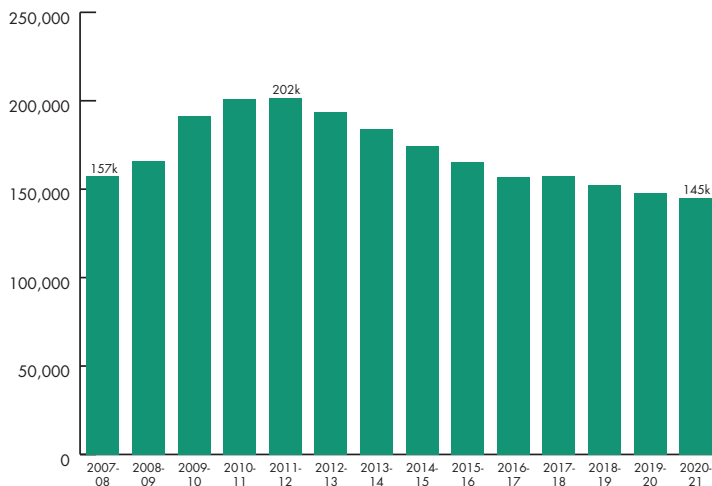
FAFSA FILING

Figure 1 shows the total number of FAFSAs filed by Iowa residents in each FAFSA cycle from 2007-08 through 2020-21. The number of Iowans filing FAFSAs has declined from a high point in 2011-12 of about 202,000 FAFSAs to about 145,000 in 2020-21, a decline of 28%.

EXPECTED FAMILY CONTRIBUTION

Table 1 displays students' Expected Family Contributions (EFC) by dependency status for 2020-21. Among those who file their FAFSAs as dependents, most students have an EFC of less than \$20,001. When we aggregate the number of applicants with an EFC of less than \$5,000 (26,490 applicants), the number exceeds those with an EFC of over \$20,001 (26,362 applicants). Among independent students, more than 33,000 students had an EFC of zero, more than all other EFC categories combined.

Figure 1. Number of FAFSAs Filed



Source: Iowa College Aid. As of September 1st in each year.

Table 1. Expected Family Contribution by Dependency Status 2020-21

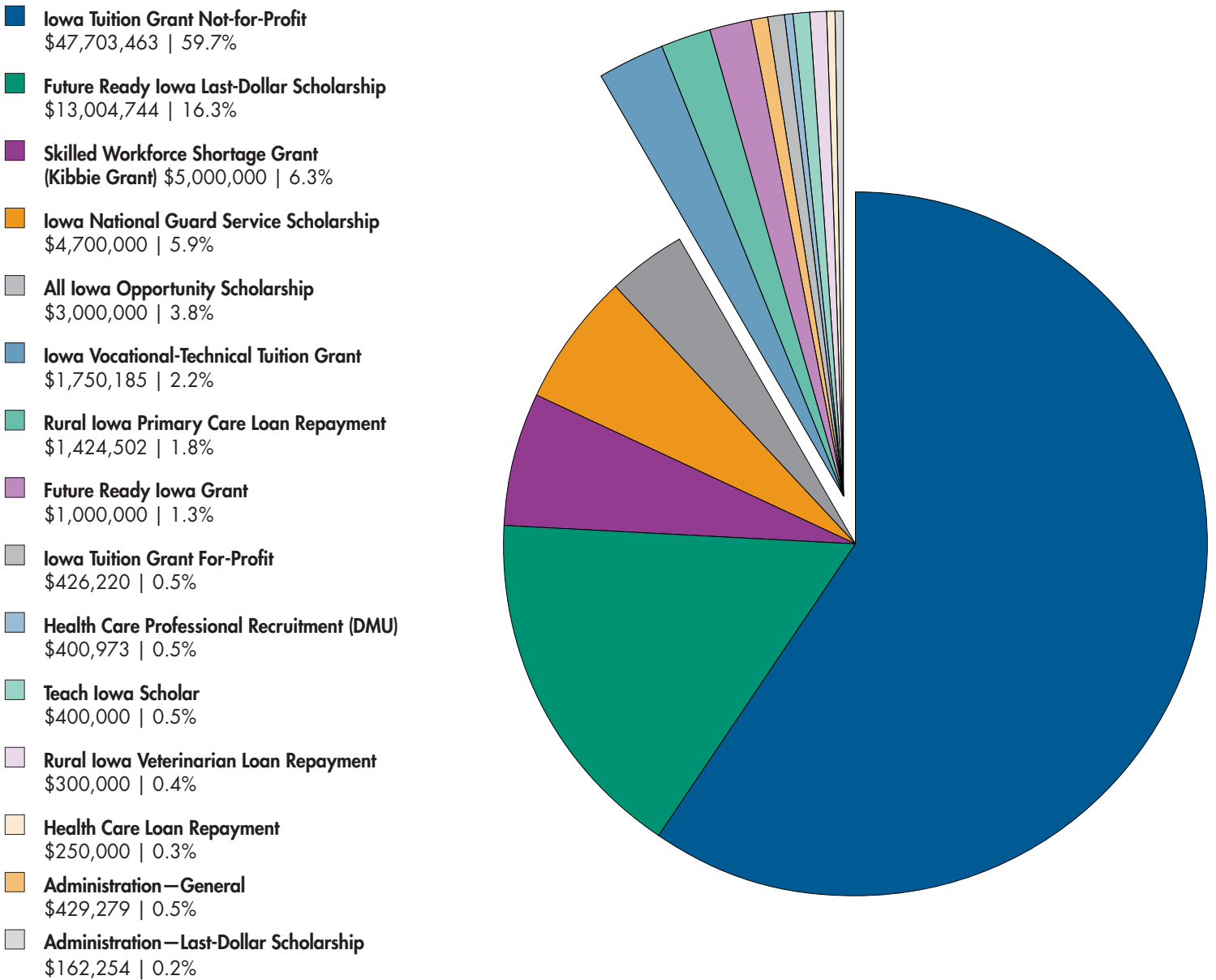
Expected Family Contribution	Dependent		Independent	
	Total	Percent	Total	Percent
\$0	11,684	15%	33,363	52%
\$1-\$2,500	8,221	11%	7,920	12%
\$2,501-\$5,000	6,585	8%	5,852	9%
\$5,001-\$7,500	5,582	7%	4,348	7%
\$7,501-\$10,000	4,812	6%	3,283	5%
\$10,001-\$12,500	4,184	5%	2,303	4%
\$12,501-\$15,000	4,101	5%	1,691	3%
\$15,001-\$17,500	3,397	4%	1,186	2%
\$17,501-\$20,000	3,059	4%	915	1%
\$20,001 +	26,362	34%	3,727	6%

Source: Iowa College Aid.

STATE AID

Figure 2 details the state appropriations for Iowa’s state-sponsored student aid and loan forgiveness programs. In FY21, the state spent nearly \$80 million on student aid and loan forgiveness programs. The state spent almost \$48 million on Iowa’s largest program, the Iowa Tuition Grant Not-for-Profit. The grant is need-based and provides college students with up to \$6,200 to attend any one of Iowa’s 29 independent not-for-profit private colleges and universities. The second largest program is the Future Ready Iowa Last-Dollar Scholarship which covers the tuition and fees of high-demand programs of study at Iowa community colleges and select community colleges.

Figure 2. FY21 State Awards by Program

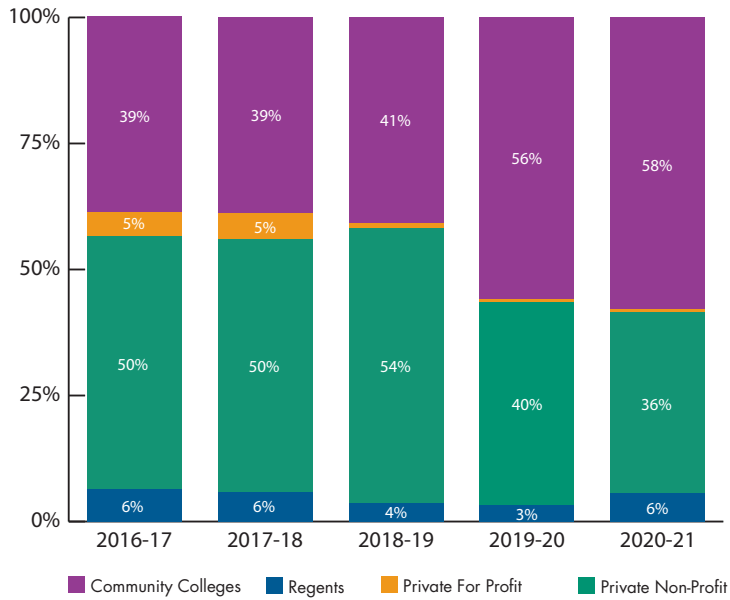


Source: Iowa College Aid.

Figure 3 displays the proportion of financial aid awarded to community college, private for-profit institutions, private not-for-profit institutions, and Regents' universities. In 2016-17, 39% of awards went to community college students and increased to 58% by 2020-21. This increase in awards can be attributed to the introduction of the Future Ready Iowa Last-Dollar Scholarship.

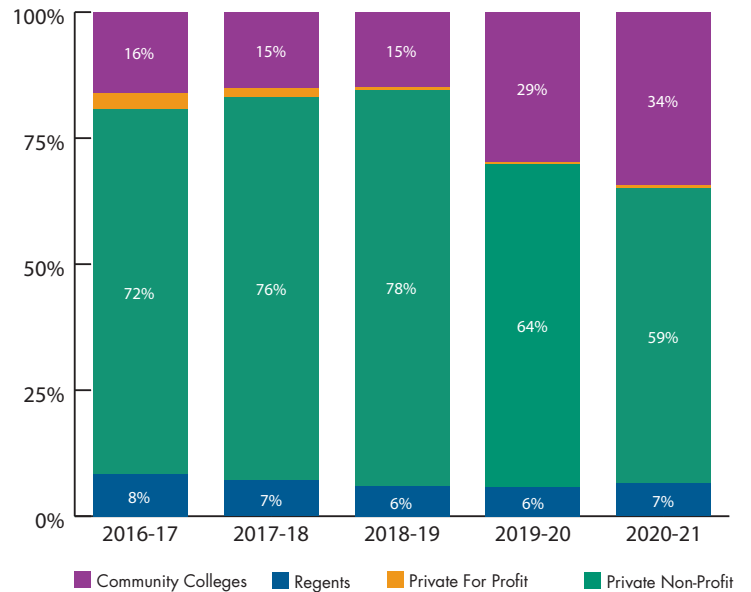
Figure 4 provides the proportion of dollars by institution sector from award year 2016-17 through 2020-21. In 2016-17, about three quarters of funding went to private not-for-profit institutions. By 2020-21, this figure had decreased to a little less than two thirds of funding. In 2020-21, approximately 34% of funding went to community colleges, doubling from 2016-17.

Figure 3. Proportion of Awards by Institutional Sector: 2016-17 through 2020-21



Source: Iowa College Aid

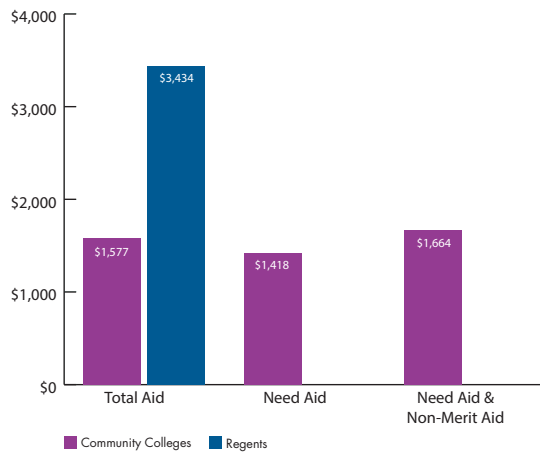
Figure 4. Proportion of Dollars by Institutional Sector: 2016-17 through 2020-21



Source: Iowa College Aid

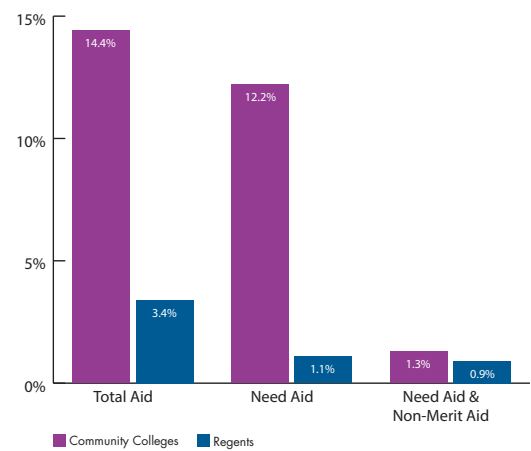
Figure 5 represents the average amount of state aid per recipient, and Figure 6 depicts the percentage of recipients receiving state aid in 2017-18. While 14% of community college students received state aid, most of it was need-based. The amount of aid received for non-need/non-merit aid is approximately \$250 more than the average need-based award. Overall, very few Regents institutions students receive state aid. The number is so small that one cannot provide a reasonably accurate estimate of Regents need-based and non-need/merit-based award amounts per student. Even so, the average Regents student receiving state aid received a little more than \$3,400.

Figure 5. Average Amount of State Aid per Recipient in 2017-18



Source: 2017–18 National Postsecondary Student Aid Study, Administrative Collection (NPSAS:18-AC)

Figure 6. Percentage of Students Receiving State Aid in 2017-18

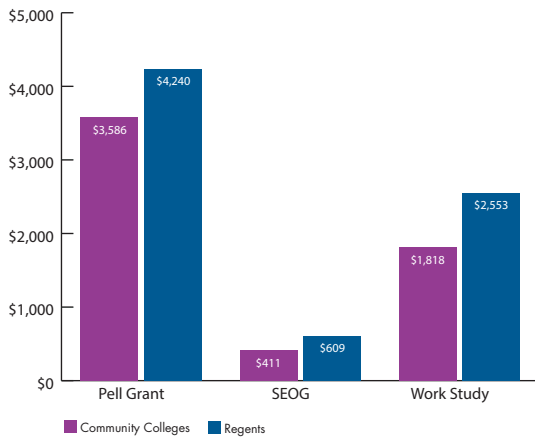


Source: 2017–18 National Postsecondary Student Aid Study, Administrative Collection (NPSAS:18-AC)

FEDERAL AID

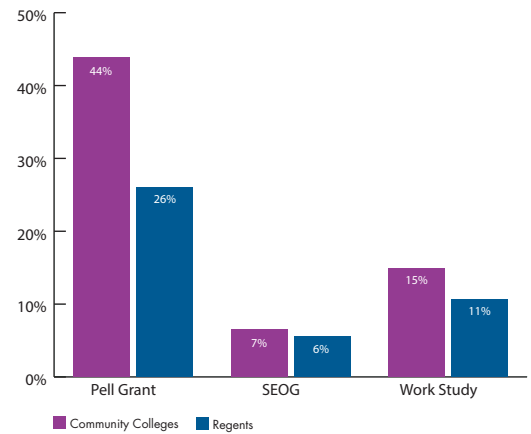
In Figure 7, we detail the average amount of federal aid per recipient, and Figure 8 depicts the percentage of students receiving federal aid in 2017-18. While the Federal Pell and Supplemental Education Opportunity (SEOG) grants have no work requirement, work study requires students to work to receive the aid. The average community college Pell recipient received nearly \$3,600, while the average Regents student received just over \$4,200. While 44% of students at community colleges received Pell, only 26% of Regents students received the aid. Less than 7% of students received SEOG. On average, community college and Regents recipients are awarded \$400 and \$600, respectively. Finally, the average work study recipient at community colleges had a \$700 lower average award than those at the Regents. Around 15% of community college students and 11% of Regents students had Federally supported work study.

Figure 7. Average Amount of Federal Aid per Recipient in 2017-18



Source: 2017–18 National Postsecondary Student Aid Study, Administrative Collection (NPSAS:18-AC)

Figure 8. Percentage of Students Receiving Federal Aid in 2017-18



Source: 2017–18 National Postsecondary Student Aid Study, Administrative Collection (NPSAS:18-AC)

INSTITUTIONAL AID

Table 2 shows the number of awards, total financial aid awarded by institutions, and the average aid awarded per award. With more than 72,100 students receiving an institutional award, Regents universities gave out more financial aid awards than other institutional types. Private not-for-profit awarded the second most at nearly 65,000 student awards. Giving out over \$9,100 per award, private not-for-profit institutions far exceeded all other institutions in aid per award. Regents universities and community colleges gave out around \$3,700 and \$1,600 per award, respectively.

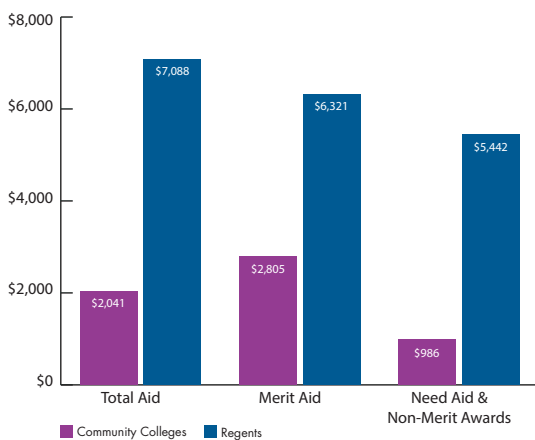
Table 2. Average Institutional Aid per Award at Iowa Institutions: 2020-2021

Sector	Number of Institutional Aid Awards	Total Institutional Aid Dollars	Average Institutional Aid Award
Regents	72,135	\$267,331,795	\$3,706
Private Non-Profit	64,906	\$593,380,159	\$9,142
Private For-Profit	1,453	\$8,824,423	\$6,073
Community Colleges	16,684	\$26,243,297	\$1,573

Source: Iowa College Aid

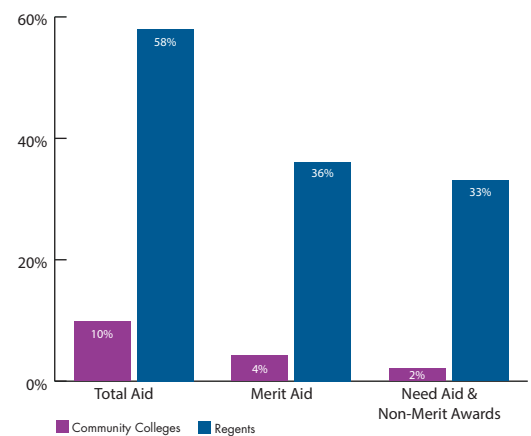
Figure 9 indicates the total amount of institutional aid per student. Figure 10 represents the percentage of students receiving that kind of aid from a representative sample of Iowa public college students in 2017-18. Again, there is a stark difference between the institutional aid given by community colleges and Regents attending students. While the average community college student receiving aid has a typical package of more than \$2,000, the average aid package of a student at a Regents university was more than \$7,000. Meanwhile, nearly 10% of community college and 60% of Regents students received institutional aid. The differences between sectors hold when looking at need and merit awards. Though both institutions gave out more money per recipient in merit than need aid, community colleges gave out almost three times the amount of aid per merit than need award.

Figure 9. Average Amount of Institutional Aid per Recipient in 2017-18



Source: 2017-18 National Postsecondary Student Aid Study, Administrative Collection (NPSAS:18-AC)

Figure 10. Percentage of Students Receiving Institutional Aid in 2017-18



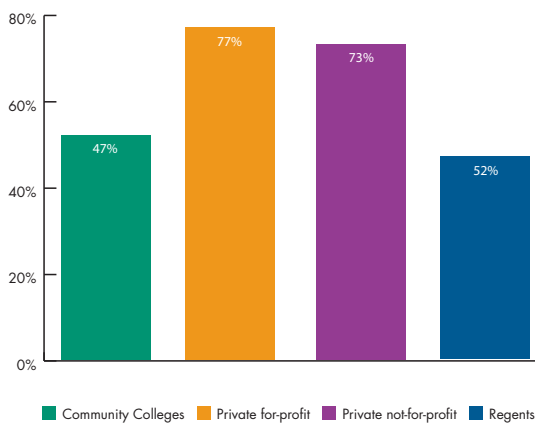
Source: 2017-18 National Postsecondary Student Aid Study, Administrative Collection (NPSAS:18-AC)

STUDENT LOANS

Figure 11 indicates the percentage of first-time, full-time undergraduates receiving Federal student loans at the different institutional types. While more than 70% of students at private institutions take on Federal student loans, around 50% of students take on Federal student loan debt at community colleges and Regents institutions.

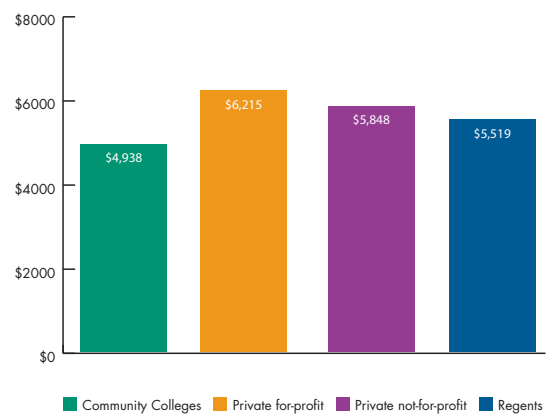
Figure 12 details the average amount federal student loans of first-time, full-time undergraduate students took on during that first year of college. While community college students had just under \$5,000 in student loan debt, Regents attending students took on less than \$600 more debt. Students attending private non-profit institutions had an average debt of more than \$5,800 and private for-profit institutions attending students had the highest debt at more than \$6,200.

Figure 11. Percentage of First-Time, Full-Time Undergraduate Students Receiving Federal Student Loans at Iowa Institutions: 2019-20



Source: IPEDS Data Center. All figures weighted by enrollment of institutions.

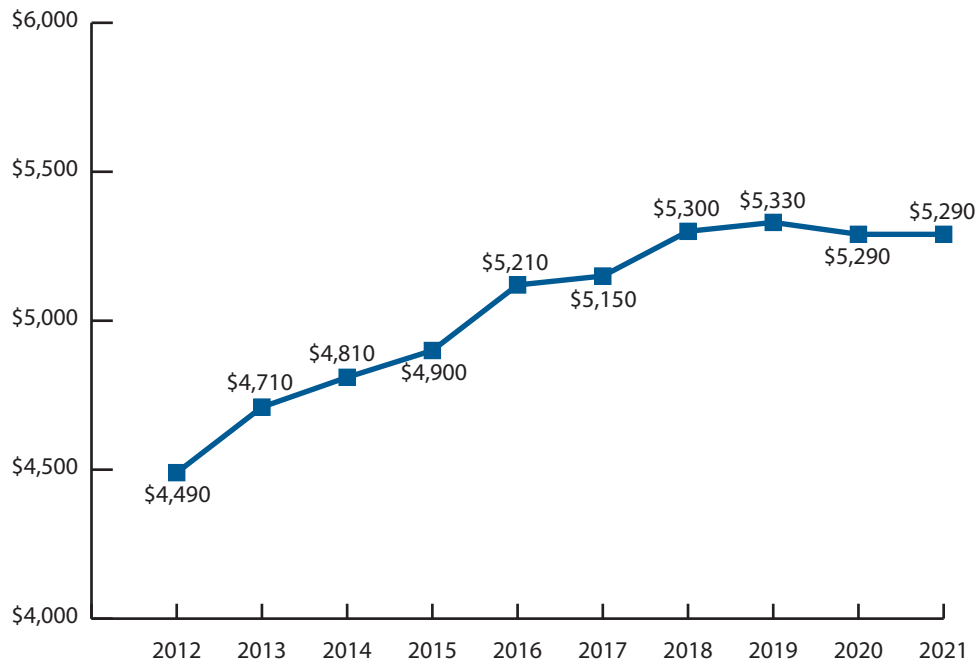
Figure 12. Average Federal Loan Amount for First-Time, Full-Time Undergraduate Students who Received Federal Student Loans at Iowa Institutions: 2019-2020



Source: IPEDS Data Center. All figures weighted by enrollment of institutions.

Figure 13 details Iowa's average amount of student loan debt per capita for the fourth quarter of each year. Between 2012 and 2019, the per capita college financial debt increased by \$840. However, since the fourth quarter of 2019, the per capita debt has decreased slightly by \$40 to \$5,290 in the fourth quarter of 2020.

Figure 13. Average Student Loan Debt per Capita in Iowa



Notes. The percent and the average amount of student loan debt were the means weighted the number of enrolled students in the institution. Source: State Level Household Debt Statistics 2003-2021, Federal Reserve Bank of New York, February, 2022.

CHAPTER 6 LOOKING FORWARD

A postsecondary education credential provides Iowans with a wide range of financial and social benefits. More individuals earning postsecondary credentials also provides benefits to the state of Iowa through an increase in the tax base, decreases in the reliance on the state's social welfare system, and creates a workforce that attracts businesses and allows them to grow and thrive.

However, Iowa faces many challenges to increase the number of Iowans with postsecondary credentials. Iowa high school graduates are 10 percentage points less likely to pursue postsecondary education than a decade ago, and their likelihood of completing the FAFSA has also decreased. Additionally, the rate at which Iowa high school graduates complete their postsecondary education is not increasing enough to compensate for the loss of students pursuing postsecondary education.

The future of postsecondary education enrollment in the state remains in question, and the result impacts our labor market. Historically, college enrollment numbers are inversely related to labor market trends and positively related to unemployment (Foote & Grosz, 2020; Hillman & Orians, 2013). With the recent trend of low unemployment and strong demand for labor, it is challenging to increase postsecondary enrollment and completion without significant intervention.

Despite these challenges, Iowa College Aid continues to advocate for and support Iowans as they explore, finance, and complete educational opportunities beyond high school to increase family and community success. We are excited by the successes we created with our portfolio of programming designed to increase postsecondary education attainment and completion.

For example, programs such as GEAR UP Iowa Future Ready continue to generate higher attendance rates, exam scores, and FAFSA completion, with 88% of the program's graduates in 2020 planning to complete a two-year or four-year degree program. Additionally, our support of Local College Access Networks helps communities create a culture of postsecondary attainment that reached more than 30,000 students in 2021. Iowans can also receive direct, personalized guidance from our Virtual College Coach with texting assistance from our experts to help Iowans navigate the college-going process.

To assist Iowans pursuing postsecondary education, Iowa College Aid administers more than \$90 million in scholarships and grants to help finance that education. One of those programs, the Last-Dollar Scholarship, directly addresses Iowa's workforce needs by covering the remaining cost of any education or training in a high-demand field for students at Iowa's community colleges and select private colleges.

These programs, which combine the public policies and funding to address Iowa's needs, remain critical to the attainment of postsecondary education for many Iowans and directly help Iowa achieve its economic and educational goals.

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IOWA COLLEGE AID

475 SW Fifth St., Suite D • Des Moines, IA 50309-4608
877-272-4456 • Info@IowaCollegeAid.gov