State of Student Aid and Higher Education in Missouri

May 2023

TRELLIS RESEARCH | BY CARLA FLETCHER AND JEFF WEBSTER

About the Authors

Trellis Company is a nonprofit organization focused on helping people leverage the power of post-secondary education and learning to improve their quality of life and the communities where they live. Trellis Research supports data-driven decision-making in higher education with research focused on student success, student finance, enrollment management, and workforce development. Research for this report was led by Carla Fletcher, Senior Research Analyst, and Jeff Webster, Director of Research.

Acknowledgements

This report was commissioned by the Missouri College and Career Attainment Network (MOCAN) with support from the Missouri Higher Education Loan Authority (MOHELA) and Missouri Scholarship & Loan Foundation. Review and feedback were provided by Missouri Department of Higher Education & Workforce Development.

Introduction

The State of Student Aid and Higher Education in Missouri publication is intended to serve as a reference document providing current and timely statistics for use by practitioners in higher education and workforce development. The publication focuses on Missouri as much as possible, and often contains comparisons to the nation or other similar states. Each section concentrates on a different issue or set of issues. The most current data available are used, however data may come from a variety of years depending on the data sources available. Much of the publication includes data from 2020 and subsequent years of the COVID-19 pandemic. This global epidemic affected all aspects of society, including higher education and the workforce. Impacts can be seen in areas such as higher education enrollment, FAFSA completion, and student loan repayment.

As a reference document, this publication is designed such that each page stands on its own. Each page contains a title summarizing the page or highlighting a particular part of the page, a visual element, a brief writeup, and information on the sources used. Because each page stands on its own, you can use the table of contents to find the page or pages of interest without needing to read the entire document cover-to-cover. In fact, it was designed so that a page could be printed and taken to a meeting to ensure that everyone in the room is literally on the same page. To get started, read the section summaries below or scan the table of contents.

Section 1: Missouri Demographics

The first section describes the race and ethnicity breakdown of the state's population and a future projection of the population by age. By 2030, the portion of the population that is 65 or older in Missouri is projected to increase dramatically over the population in 2000. This will place a growing importance on ensuring that younger populations have access to higher education and the support to succeed.

Section 2: Missouri College Readiness

This section reviews issues including FAFSA completion rates and college enrollment rates among high school graduates. There are large gaps in Missouri, as in other states, between race/ethnicity groups in high school completion rates, and FAFSA completion rates are down across the country as students still grapple with the lingering economic impacts of the COVID-19 pandemic.

Section 3: Profile of Missouri College Students

Various stats about Missouri college students are described in this section. Almost a third of Missouri undergraduates were enrolled in private universities, compared to less than one in five nationwide. Students in this sector in Missouri were also more likely to be older than 24 compared to students enrolled in the public sectors, and about half of the first-time undergraduates at Missouri private universities had graduated from a high school in a different state.

Section 4: Cost of Education and Sources of Aid in Missouri

The fourth section presents higher education costs by type and sector, showing that Missouri costs are somewhat less than the national average in all sectors, though the total cost of attendance is still a large expense for students and their families.

Section 5: Grant Aid and Net Price in Missouri

The pages in this section outline federal and state grant programs, with some breakouts by sector and region in the state. The largest state grant programs are Access Missouri, the A+ Scholarship Program, and the Bright Flight program. The average Pell grant award in Missouri covers just 19 percent of the total cost for two semesters at a Missouri public four-year university or at a Missouri public two-year college.

Section 6: Loans

This section looks at the federal student loan program by region and sector. The majority of federal student loan volume went to students in the private four-year sector, at 59 percent, with 35 percent going to students in the public four-year sector.

Section 7: Work and Paying for College

A majority of students work while enrolled. Most of those students work at least 20 hours per week, potentially cutting into the time a student can spend on academics. Many students also report using their work income to pay for college, at least in part. This section shows that students would need to work 52 hours per week on minimum wage to pay for a Missouri public four-year education, and 39 hours per week for a Missouri public two-year education, and 109 hours per week for a Missouri private four-year education.

Section 8: Missouri College Attainment

More education typically leads to higher earnings and lower unemployment, as demonstrated in the pages in this section. Almost a third of Missourians aged 25 and older have at least a bachelor's degree, but wide gaps exist between racial/ethnic groups and different regions of the state.

Section 9: Student Financial Wellness

This section reviews recent studies of student financial wellness, including food and housing security. Students who struggle with affording basic needs will likely have a more difficult time persisting through college to graduation compared with peers not experiencing those struggles. Many students are concerned with being able to afford college and report running out of money during the school year.

Section 10: Consumer Debt

Overall student loan debt has been increasing at a steady rate for years, different from the patterns of other consumer debt such as auto and credit cards, which tend to reflect broader economic trends. Delinquency rates for student loans saw a dramatic uptick following the 2008 recession and a dramatic decrease during the COVID-19 pandemic that was not reflected as sharply in other types of consumer debt.

Section 11: Delinquencies, Defaults, and Collections

In Missouri and nationwide, student loan cohort default rates decreased from 2017 to 2018, due largely to the student loan repayment freeze implemented in March 2020 as a result of the COVID-19 pandemic. The overall rate for Missouri is 6.3 percent, though this varies some by region of the state and by school type. This section also includes some sobering statistics about loan repayment and default using new federal data that has a longer tracking window than the official cohort default rate, and summaries of new studies looking at repayment outcomes of student loan and Parent PLUS loan borrowers.

Section 12: Missouri Higher Education and Student Debt Policy

The last section looks at aspects of higher education policy in Missouri, including a summary of Building Missouri's Future, the state's education and workforce plan, and funding for Missouri's grant programs. This section also includes an update on federal policies, including the Public Service Loan Forgiveness program, student loan forgiveness estimates, and a timeline of the student loan repayment pause.

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Glossary of Terms

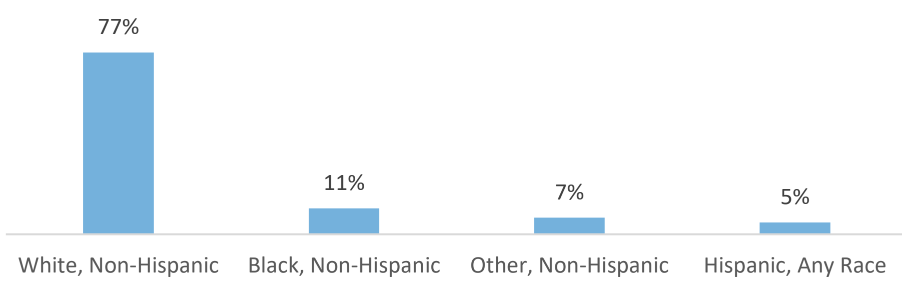
Academic Year	An academic year is a nine-month period that, for traditional programs of study, begins in August and ends the following May.
Award Year	A 12-month period beginning July 1 and ending June 30 of the following year that is often used as the time measurement for student financial aid disbursement.
Average	Often called the mean, the average is a common statistical method used to calculate central tendency. The average is found by adding all numbers together and dividing the sum by the number of items included in the calculation.
Borrower	An individual to whom a student loan is made.
Claim	A request that the lender (or lender's servicer) files with the guarantor for reimbursement of its losses on a Federal Stafford, SLS, PLUS, or consolidation loan due to the borrower's death, disability, default, or bankruptcy; school closure; an unpaid refund; theft of the borrower's identity; or false certification of the borrower's eligibility.
Cohort Default Rate	The percentage of Federal Stafford student loan borrowers who default before the end of the second fiscal year following the fiscal year in which they entered repayment on their loans. The Department of Education calculates this rate annually.
Federal Fiscal Year	A 12-month period beginning October 1 and ending September 30 of the following year. Federal Fiscal Year 2021, for example, begins October 1, 2020, and ends September 30, 2021. The federal fiscal year is used by the Department of Education as the time measurement for a cohort of student loan borrowers.
Median	A statistical measurement used to calculate the middle most number within a range of numbers. Using the median is a preferred measure of central tendency for when skewed, or distorted, distributions of numbers occur.
Weighted for Enrollment	Using the institution's enrollment in the formula to determine the average in order to give greater weight to those institutions with high enrollments.

SECTION 1

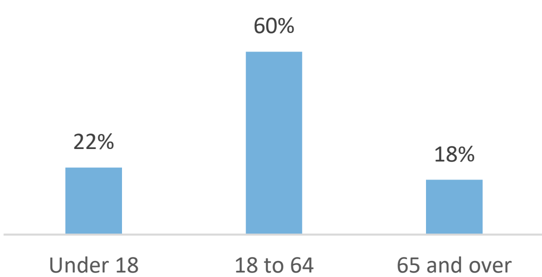
Missouri Demographics

Missouri Statewide Demographics

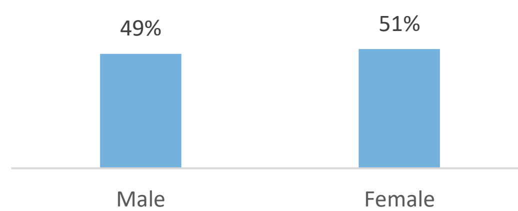
Missouri 2021 Population by Race/Ethnicity



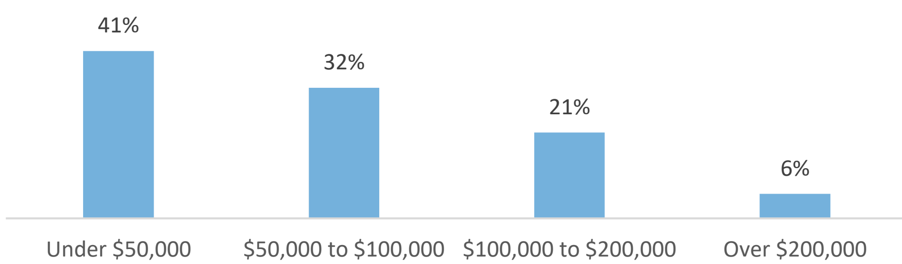
Missouri 2021 Population by Age Group



Missouri 2021 Population by Gender



Missouri 2021 Population by Median Household Income

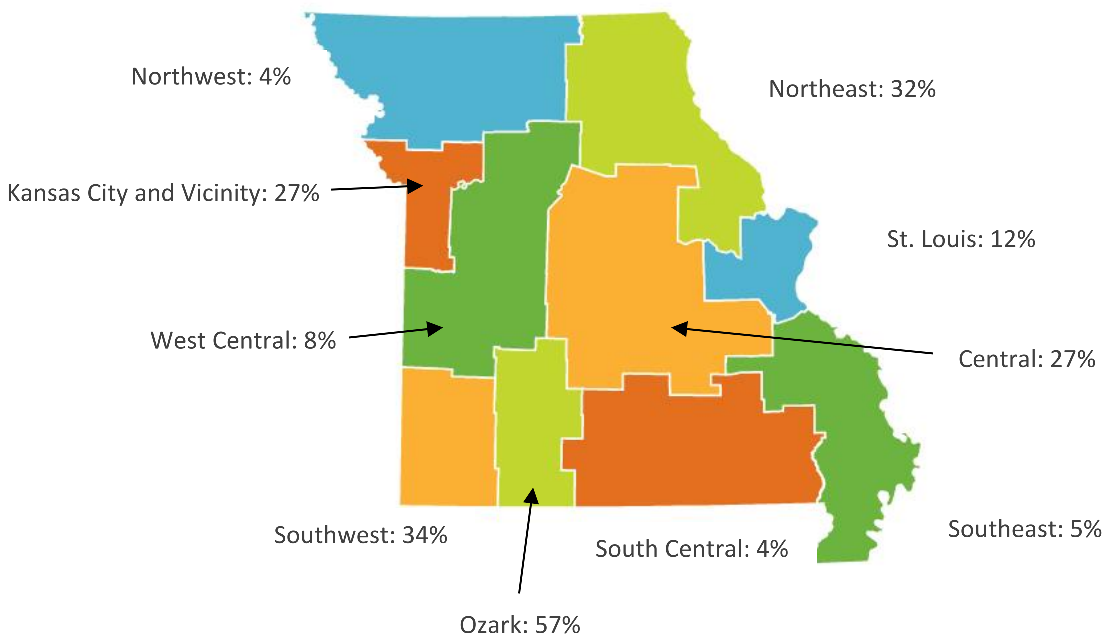


In 2021, the population of Missouri was 77 percent White, 11 percent Black, and five percent Hispanic. Sixty percent of the population was between the ages of 18 and 64, and the population was split about evenly between males and females. Forty-one percent of households in Missouri in 2021 were earning less than $50,000 per year and 32 percent were earning between $50,000 and $100,000 per year. About a quarter of households in the state were earning over $100,000 per year.

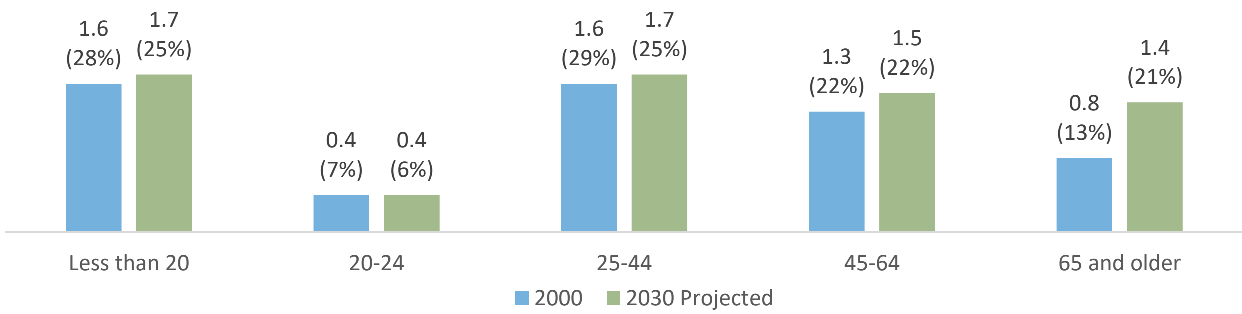
Sources: U.S. Census Bureau, 2021 American Community Survey 1-Year Estimates, (https://data.census.gov/); Census Reporter, Missouri Profile (https://censusreporter.org/profiles/04000US29-missouri/).

Missouri Population Projected to Increase by 2030, Largely Among Older Adults

Population Projections:
Percent of Change from 2000 to 2030 by Missouri Region



Missouri Population by Age in Millions and Percentage of Total in Each Year: 2000 and 2030 (Projected)

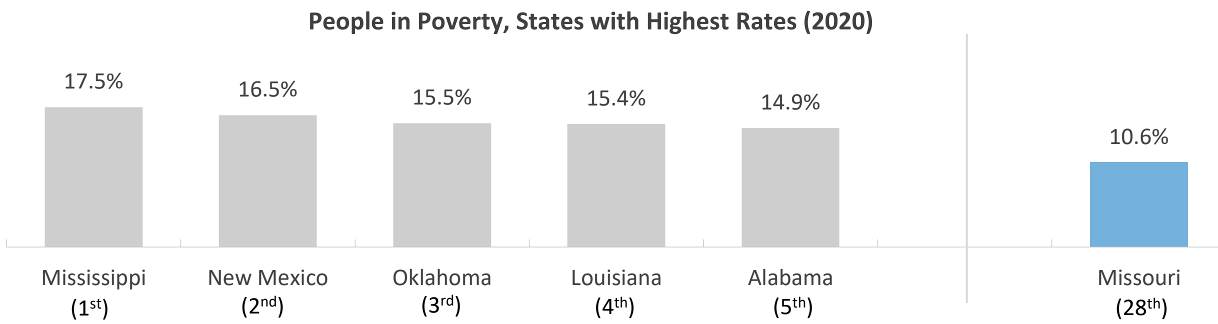


Missouri is projected to experience a 21 percent population increase between 2000 and 2030, adding more than a million people to bring the statewide total population to 6.7 million people. The majority of that increase is projected to occur in older age groups, particularly in adults aged 65 and older. The projected population changes vary considerably by region, from four percent in the Northwest and South Central regions to 57 percent in the Ozark region.

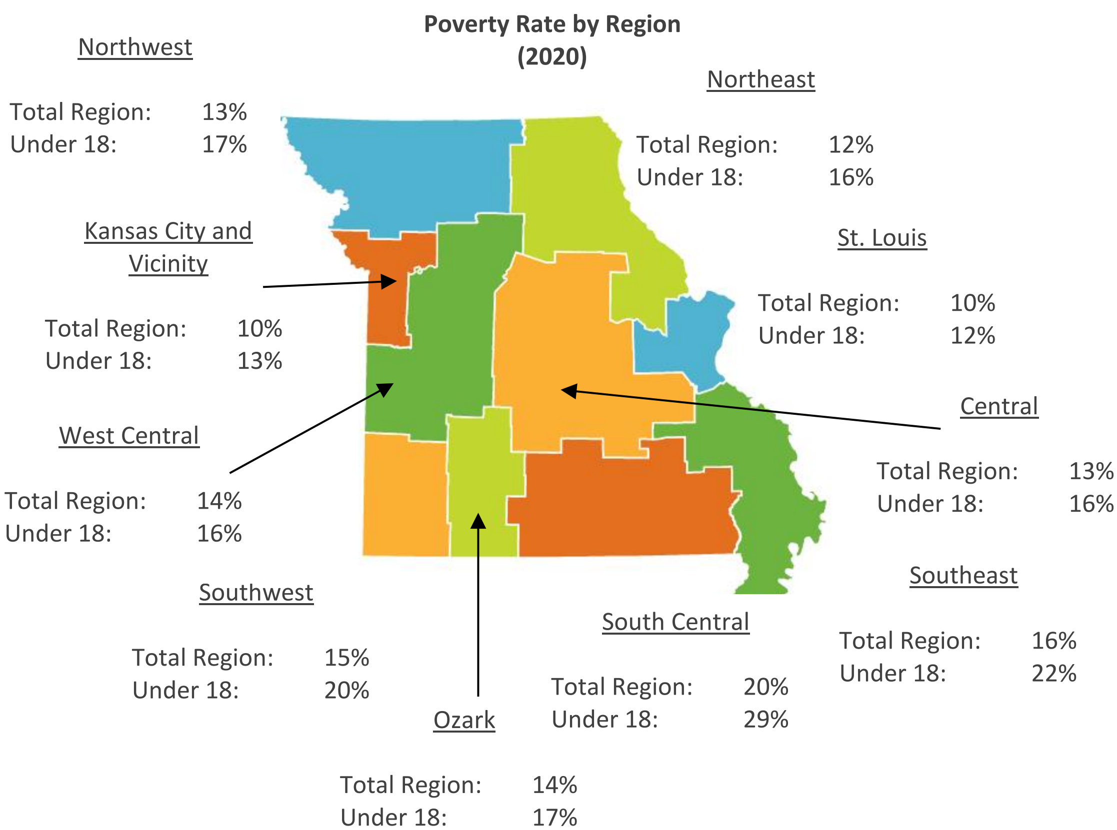
The proportion of the population that is 65 or older in Missouri is expected to increase dramatically between 2000 and 2030. The number of adults aged 65 or older in 2030 is projected to be nearly double what it was in 2000, making up 21 percent of the population in 2030. The populations under 45 are projected to experience slight decreases in their proportion of the population.

Sources: Missouri Office of Administration, Division of Budget and Planning, 2000 to 2030 Projections, Missouri Population Projections – by County, Age, and Sex: 2000 to 2030 (https://oa.mo.gov/budget-planning/demographic-information/population-projections/2000-2030-projections).

Missouri Has 28th Highest Poverty Rate in the Nation



In 2020, Missouri had the 28th highest poverty rate in the U.S. at 10.6 percent, and a poverty rate lower than the national average of 11.4 percent. The 2020 data represents the start of the COVID-19 pandemic, which has had a detrimental impact on poverty for people across the country. Poverty rates vary widely by region in Missouri. By a large margin, the South Central region has the highest rates of overall and childhood poverty at 20 and 29 percent respectively. The lowest rates are found in the St. Louis region with an overall poverty rate of 10 percent and a childhood poverty rate of 12 percent. Because poverty disrupts housing patterns and makes educational attainment challenging, higher poverty rates may reduce college going rates, absent student support initiatives. In all regions, the poverty rate for children was higher than for the total population. Poverty was defined in 2020 as having an income of $26,246 or less for a family of four with two children, or $13,465 or less for an individual under 65 years old.

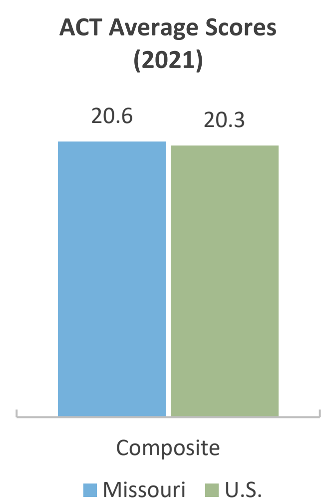


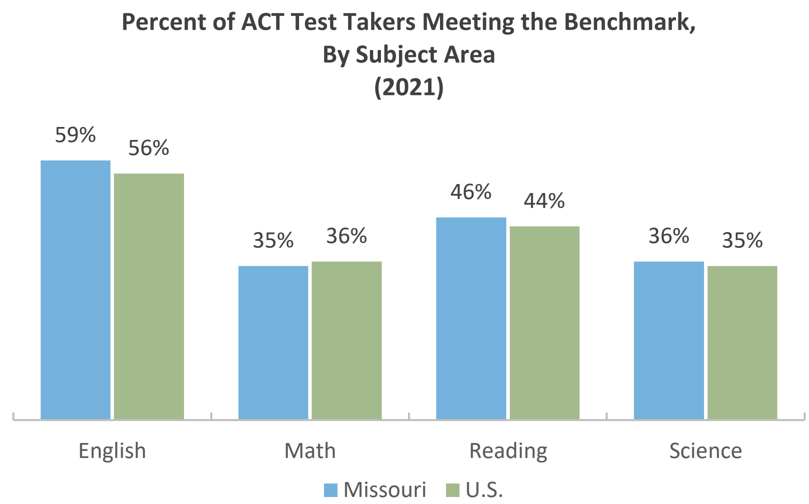
Sources: Definition of Poverty: U.S. Census Bureau, "Poverty Thresholds: 2020" (https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html); Overall Poverty Rate: U.S. Census Bureau, "Historical Poverty Tables: People and Families - 1959 to 2020 (https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-people.html)Poverty rates by region: U.S. Department of Agriculture, Economic Research Service, "Poverty estimates for the U.S., States, and counties, 2020" (http://www.ers.usda.gov/data-products/county-level-data-sets/download-data.aspx); U.S. Census Bureau, "Historical Poverty Tables: People and Families - 1959 to 2020 (https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-people.html).

SECTION 2

Missouri College Readiness

Missouri College Prep Test Scores On Par With National Average

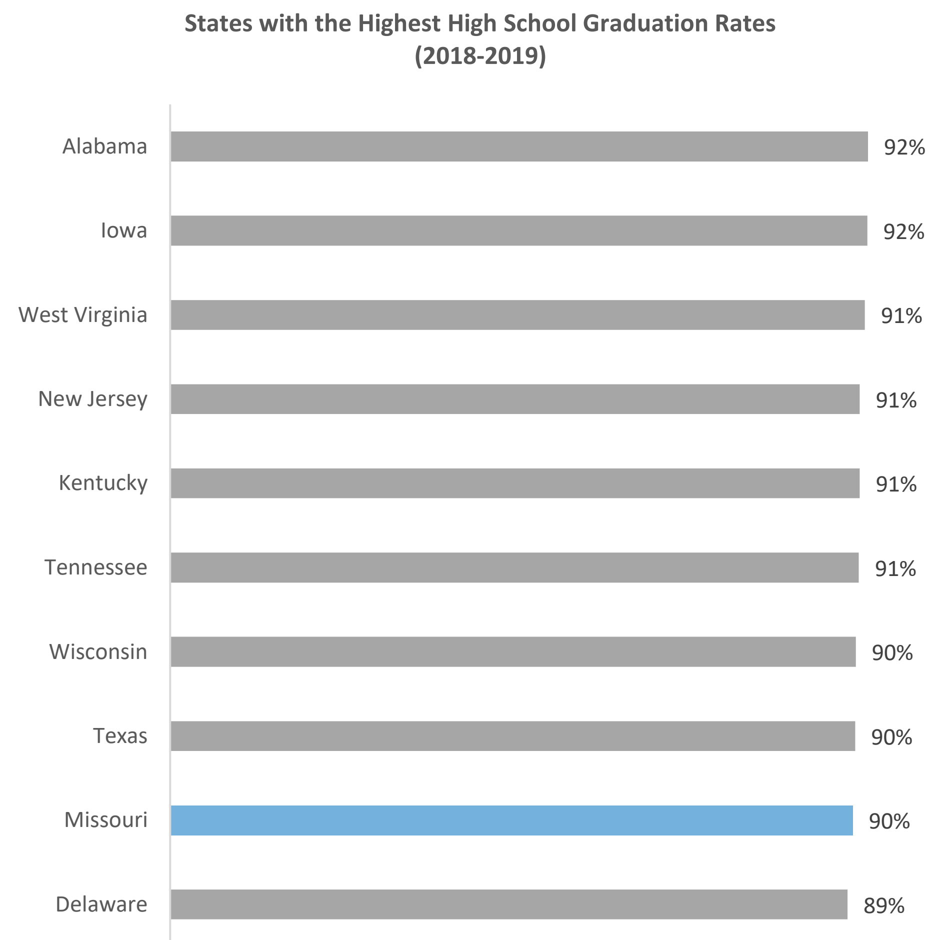




While average ACT composite scores in Missouri have generally been slightly higher than national averages, the average composite score for Missouri graduates has roughly mirrored that of the nation as a whole in recent years, with slight variations in each subject area. Sixty-three percent of the class of 2021 Missouri high school graduates took the ACT, down from 78 percent in 2020. This is likely due to the COVID-19 pandemic, which negatively impacted the number of high school graduates enrolling in college and prompted many institutions to not require ACT or SAT test scores to be submitted. The SAT is the more predominant standardized test taken in other regions of the country, and some students take both the SAT and the ACT. Nationally, in 2021, 35 percent of high school graduates took the ACT exam.

Source: ACT, National and State Scores 2021 (https://www.act.org/content/2021/R2145-Grad-2021-Performance-by-EL-Status-2021-12.pdf).

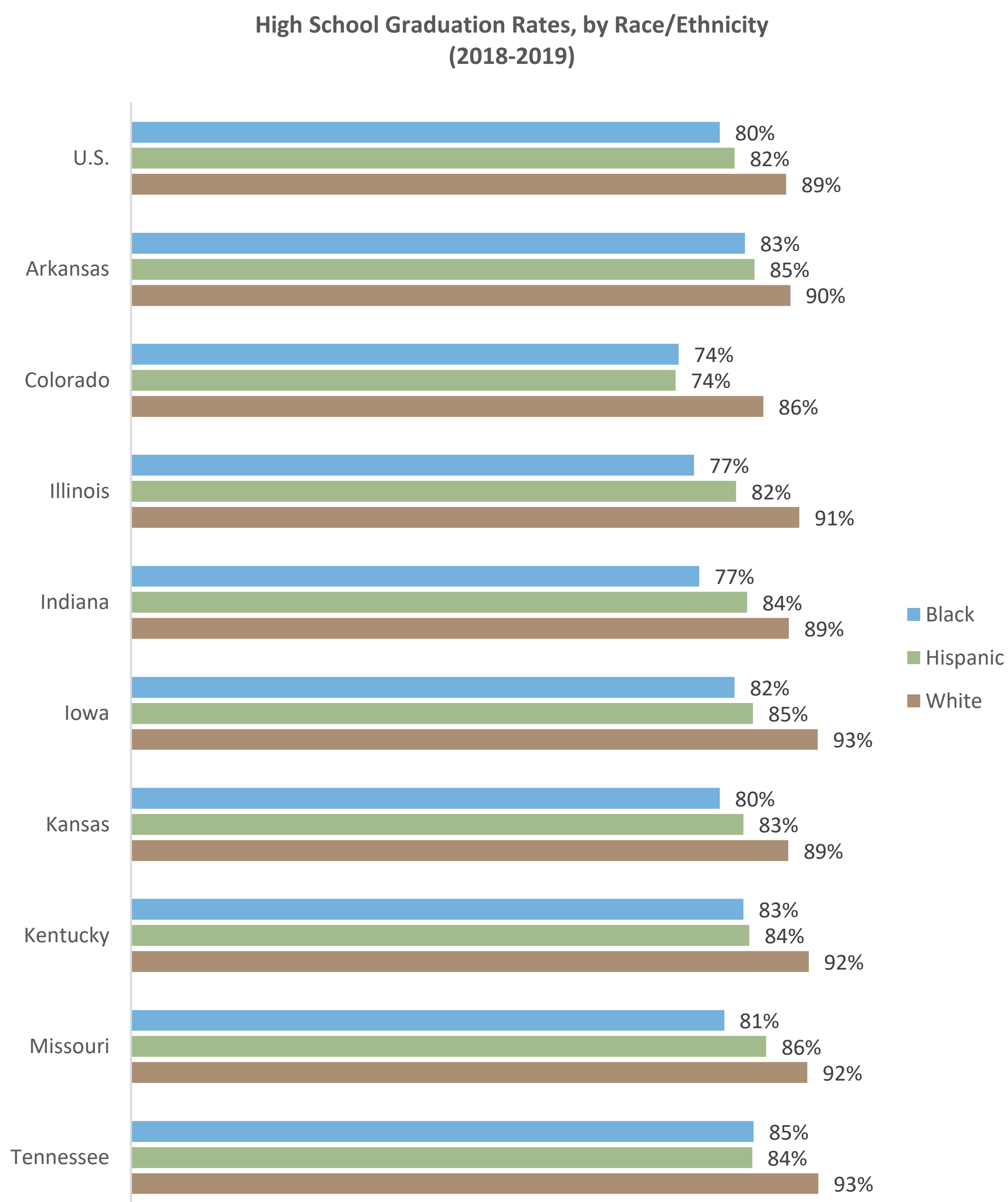
Missouri Graduates 90 Percent of its High School Seniors



Missouri ranked seventh in the nation for high school graduation rates in 2018-2019, tying with two other states at 90 percent. This was higher than the national average of 86 percent. Missouri first developed the Missouri School Improvement Program (MSIP) in 1990 and continues to regularly update the plan. The MSIP reviews and accredits the public schools in the state to ensure that all students have access to a quality education that prepares them for success. Additionally, Missouri implemented a public education plan, approved by the U.S. Department of Education, in fall 2018 as part of the Every Student Succeeds Act (ESSA). The plan outlines Missouri's commitment to equitable access to quality education for all students. Per the ESSA bill, the plan provides strategies to improve access among specific groups of students, including migrants, English language learners, rural students, low-income students, and homeless students.

Sources: Graduation Rates: U.S. Department of Education, ED Data Express, Data about elementary and secondary schools in the U.S. (https://eddataexpress.ed.gov/); ESSA in Missouri: Missouri Department of Elementary and Secondary Education, ESSA Federal Accountability (https://dese.mo.gov/quality-schools/essa-federal-accountability); MSIP: Missouri Department of Elementary and Secondary Education, MO School Improvement Program (https://dese.mo.gov/quality-schools/mo-school-improvement-program).

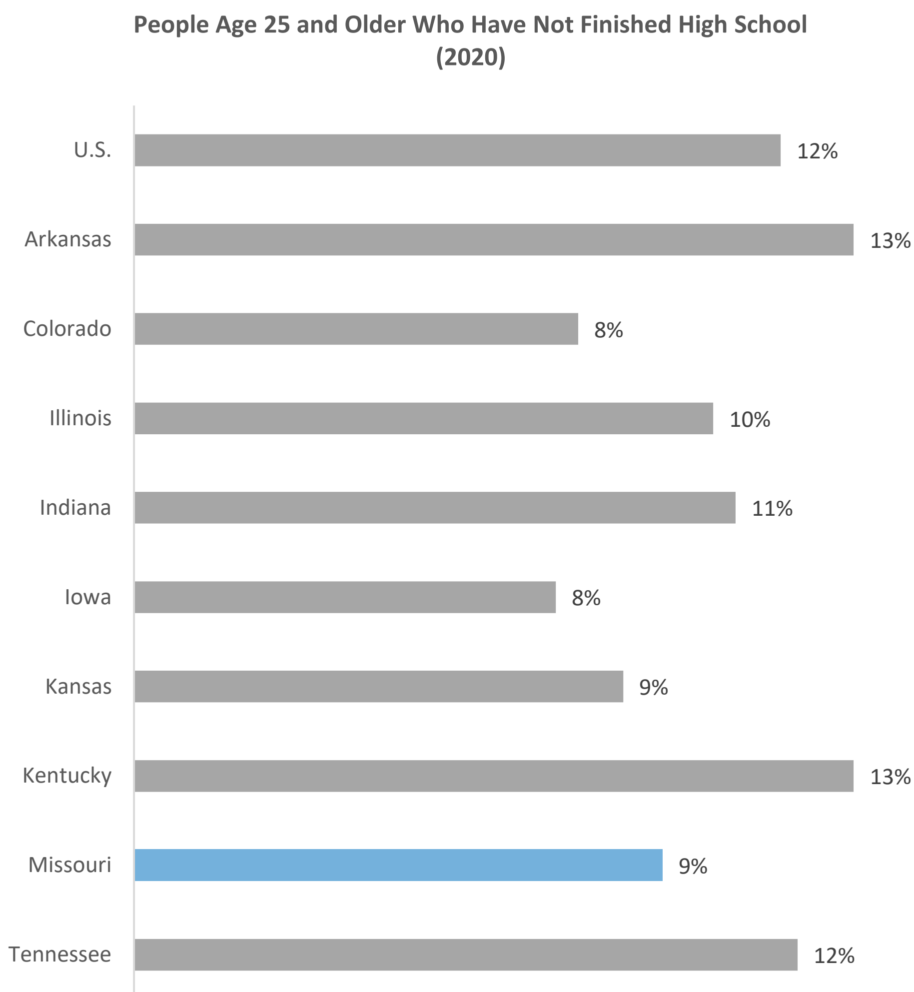
Missouri High School Graduation Rates Are Stratified by Race/Ethnicity



Missouri ranked highest among its peer states in high school graduation rates among Hispanic students in 2018-2019, though the Hispanic high school graduation rate is still six percentage points lower than the high school graduation rate for white students. The Black high school graduation rate in Missouri, at 81 percent, is 11 percentage points lower than the white high school graduation rate. Missouri had higher graduation rates among all three groups of students compared to the national rates.

Sources: Graduation Rates: U.S. Department of Education, ED Data Express, Data about elementary and secondary schools in the U.S. (https://eddataexpress.ed.gov/).

Nine Percent of the Missouri Population Aged 25 or Older Lack a High School Diploma



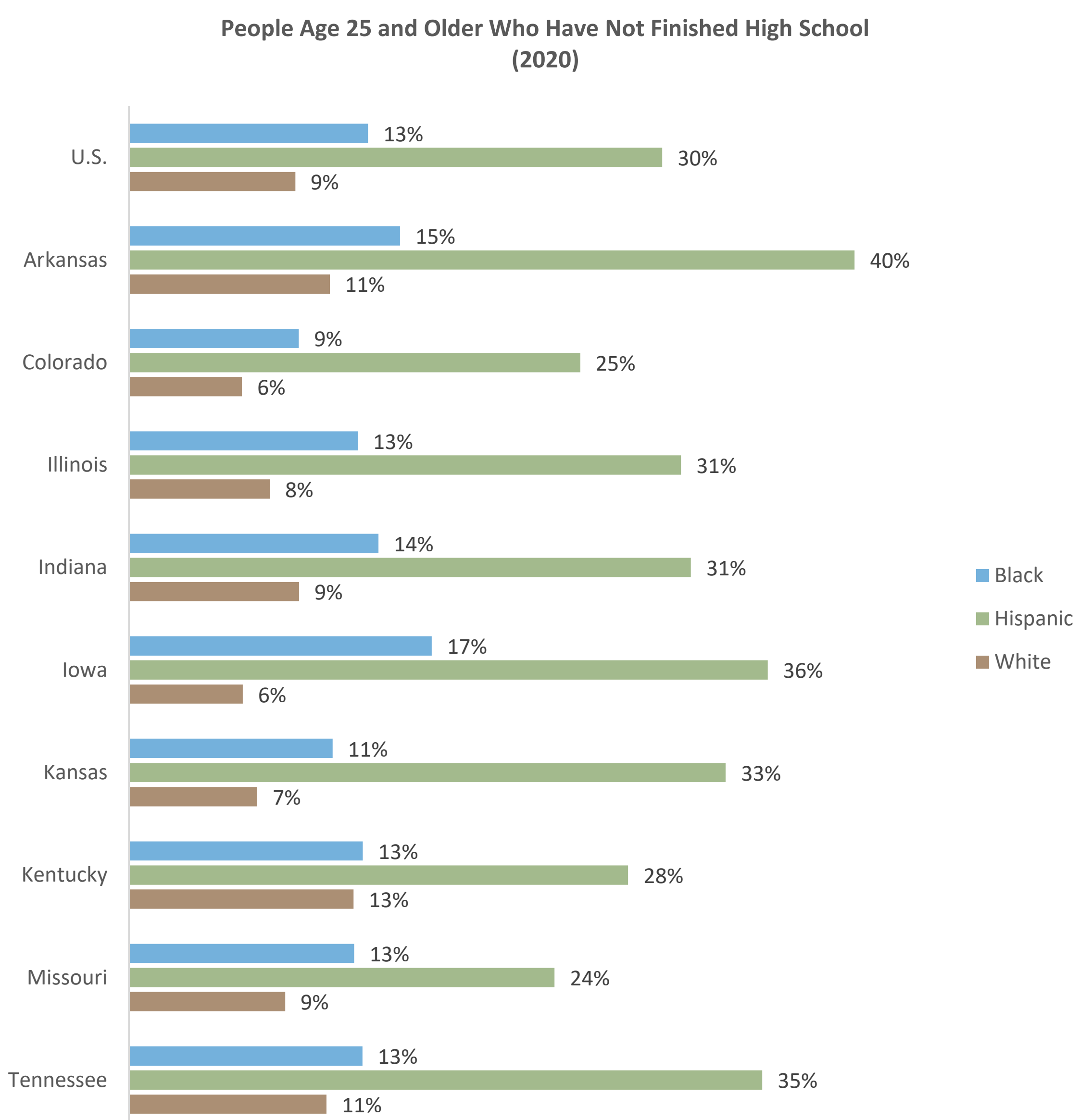
In 2020, nine percent of people aged 25 and older (or almost 400,000 people) in Missouri had not finished high school. This is lower than the national average and only two of Missouri's peer states had lower rates. The vast majority of Missouri's adult population has earned at least a high school diploma.

Sources: High school completion among 25 and older: U.S. Census Bureau, 2020 American Community Survey 5-Year Estimates, Detailed Tables (http://www.census.gov/acs/www/).

Hispanic Adults in Missouri Are Most Likely to Have Not Finished High School

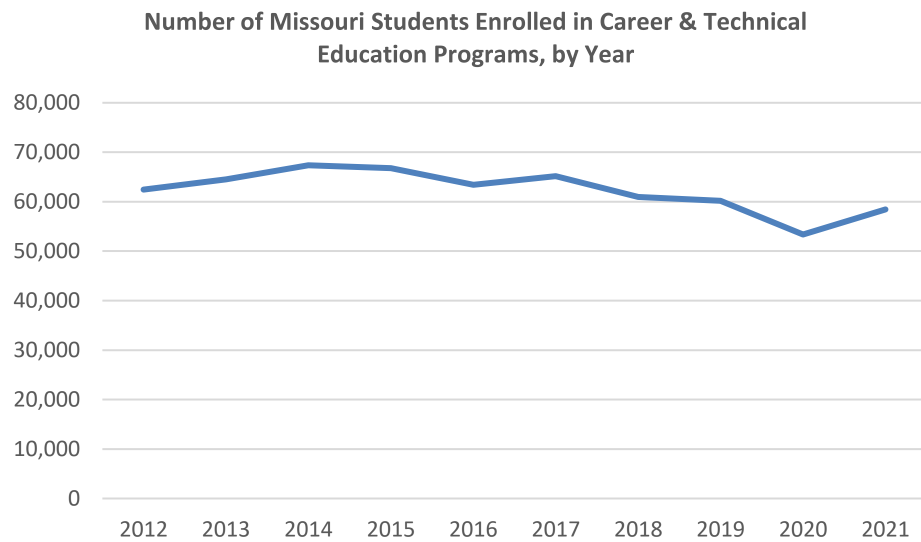
The high school completion rates of different racial and ethnic groups vary widely in all states and nationally. Data from 2020 show that:

- Hispanics, who comprised about five percent of the Missouri population in 2020 are the least likely to have obtained a high school diploma. As of 2020, 24 percent of Hispanics age 25 and older had not finished high school, lower than the national average of 30 percent.
- Approximately 13 percent of Black Missourians age 25 and older have not completed high school, matching the national average.
- Nine percent of the White population age 25 and older in Missouri had not completed high school as of 2020, also matching the national average.

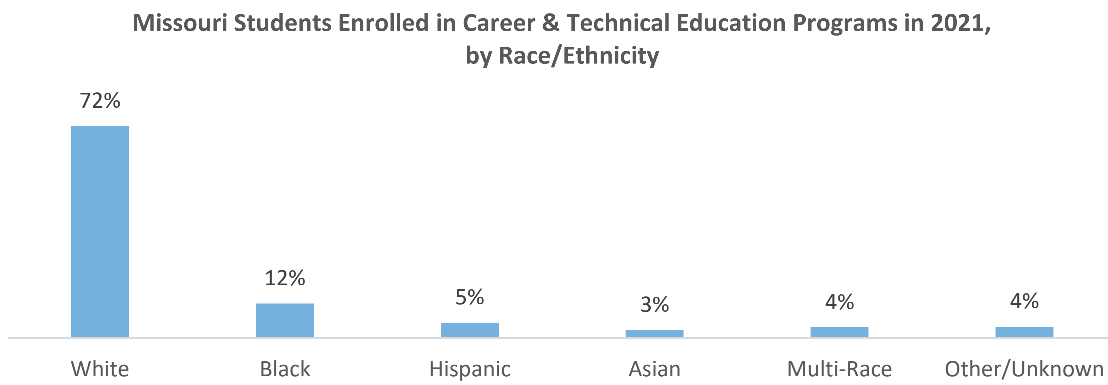


Sources: High school completion among 25 and older: U.S. Census Bureau, 2020 American Community Survey 5-Year Estimates, Detailed Tables (http://www.census.gov/acs/www/).

Number of Missouri Students Enrolled in Career and Technical Education Returns to Pre-Pandemic Level, But Still Below Peak



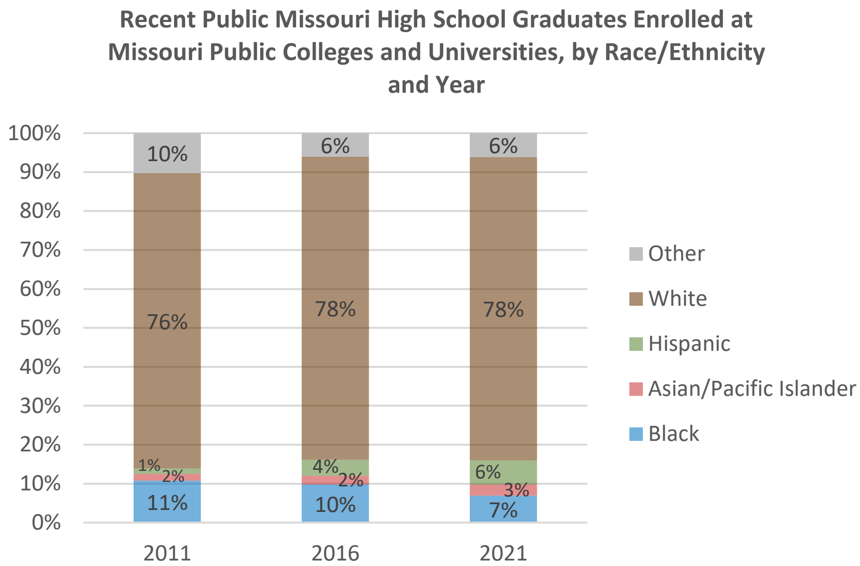
Missouri has seen a gradual decline in the number of students enrolled in career and technical education programs since 2014. This trend was accelerated by the onset of the COVID-19 pandemic when, throughout the country, enrollment in these programs dropped sharply. By 2021, Missouri saw enrollment in these programs return to pre-pandemic levels, but still nearly 10,000 fewer students than in 2014.

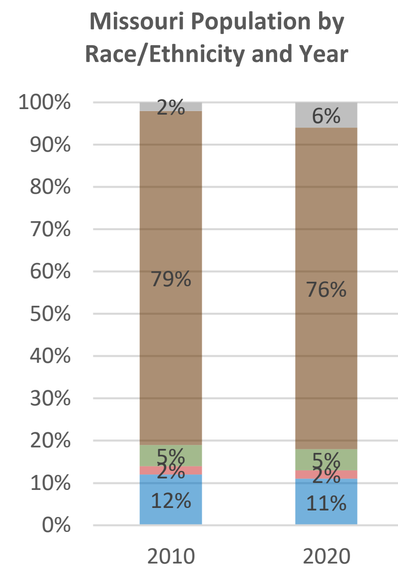


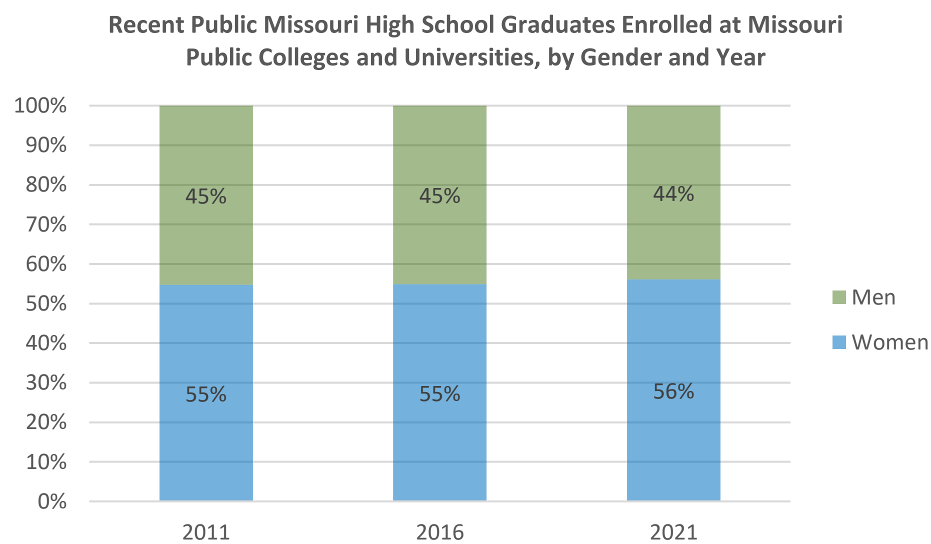
Almost three-quarters of Missouri students enrolled in career and technical education programs in 2021 were White, 12 percent were Black, and five percent were Hispanic. This aligns closely with the statewide Missouri population in 2021. The most popular program in 2021 was Health Science, with 30 percent of students enrolled in this program. Business, Management, & Administration was the second most popular program (18 percent of students), followed by Information Technology (13 percent of students).

Source: Missouri Department of Elementary & Secondary Education, Missouri Comprehensive Data System, Postsecondary Participation Enrollment Report – Public (https://apps.dese.mo.gov/MCDS/home.aspx?categoryid=1&view=2); Missouri Statewide Population: United States Census Bureau, Missouri QuickFacts, Population Estimates, July 1 2021 (https://www.census.gov/quickfacts/MO).

Missouri Public High School Graduates Enrolling in College



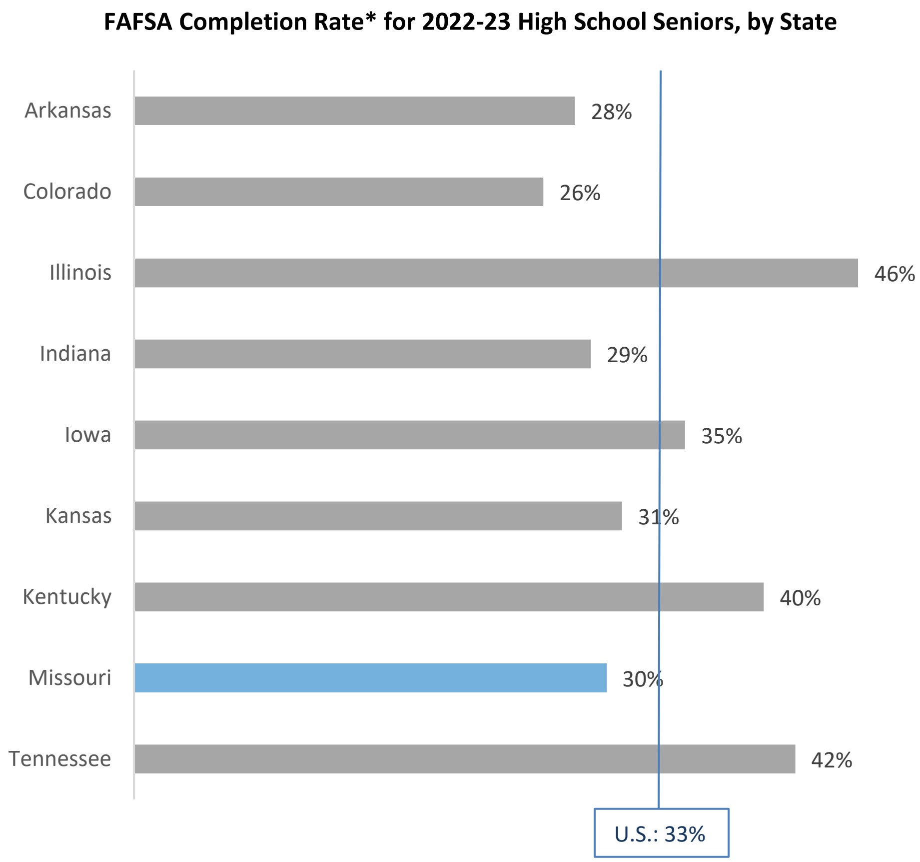




Seven percent of Missouri postsecondary enrollments of recent high school graduates in 2021 were Black students. This was a decrease from 2011, where 11 percent of enrollments were Black students, and also was lower than the percentage of the total state population that was Black in 2020. The proportion of enrollment that is Hispanic and White increased in that time. The postsecondary enrollment breakout by gender has remained steady from 2011 to 2021, with women making up about 55 or 56 percent of enrollments in each year.

Source: Department of Higher Education & Workforce Development, High School Graduates Report, Annual Summaries, March 2022 Report (https://dhewd.mo.gov/data/hsgradreport.php).

Nearly One-third of 2022-2023 High School Seniors in Missouri Had Completed the FAFSA by December of Their Senior Year



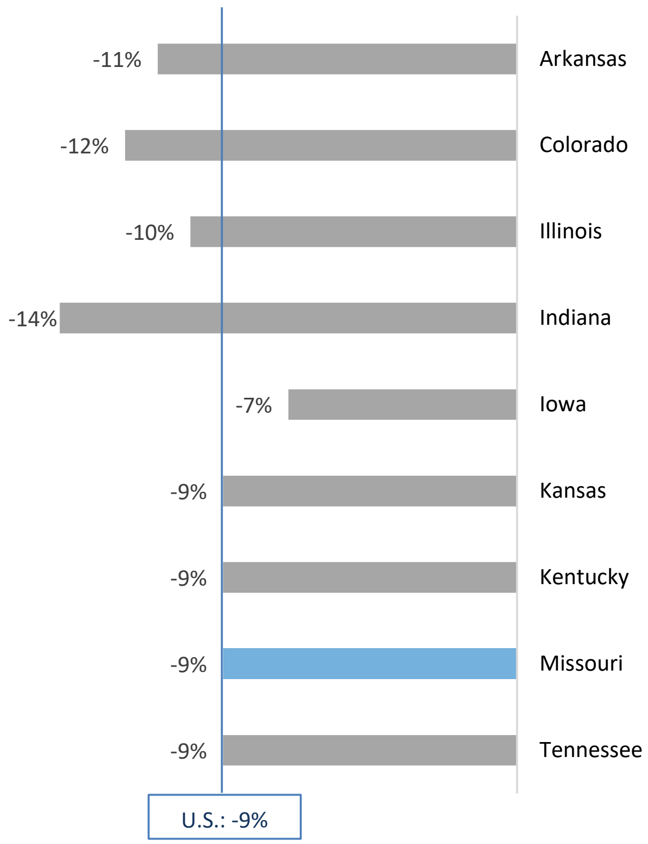
Almost a third of 2022-2023 high school seniors in Missouri had completed the FAFSA as of December 30, 2022. This was the fourth lowest rate among Missouri's eight peer states. Illinois had the highest completion rate of the peer states because they require high school seniors to complete the FAFSA. Tennessee had the second highest rate among the peer states, at 42 percent, far higher than the national average of 33 percent. While high school students in Tennessee are not required to complete the FAFSA to graduate, they are required to complete the FAFSA as part of the application process for the state's popular Tennessee Promise Scholarship program, which has kept Tennessee's FAFSA completion rates high.

* The high school seniors were able to start completing the FAFSA on October 1, 2022. This data is for the percent of seniors who had completed the FAFSA as of 12/30/2022.

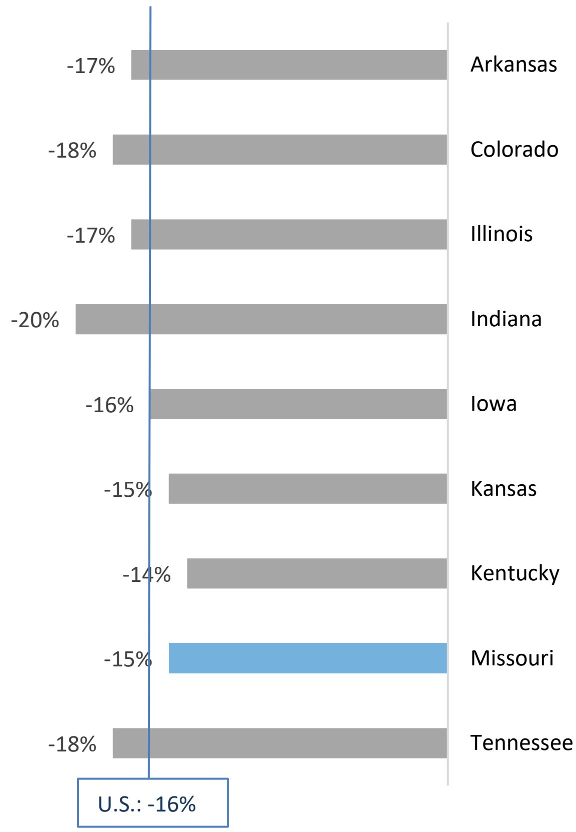
Source: Current FAFSA Completion by State: Data Insight Partners, National FAFSA Tracker (https://national.fafsatracker.com/currentRates?sortBy=current_comp_rate&); Illinois FAFSA Requirement: Illinois Student Assistance Commission, Illinois FAFSA Mandate: Training and Support (https://www.isac.org/pd/fafsa-mandate.html); Tennessee FAFSA: Tennessee State Government, Tennessee Promise Scholarship (https://www.tn.gov/collegepays/money-for-college/state-of-tennessee-programs/tennessee-promise-scholarship.html).

FAFSA Applications for Returning Pell Eligible Students Down 15 Percent in Missouri

Percent Change in Number of All FAFSA Applications from 2021-2022 to 2022-2023*



Percent Change in Number of Returning Pell Eligible FAFSA Applications from 2021-2022 to 2022-2023*



The COVID-19 pandemic led to a broad decrease in college enrollments, which also led to a decrease in submitted FAFSA applications. The nation experienced a nine percent decrease in the number of submitted FAFSA applications from 2021-2022 to 2022-2023. Missouri and its eight peer states all experienced decreases as well, with the Missouri rate matching the national average. The decrease was even steeper for returning Pell eligible applicants – those students who had already been enrolled.

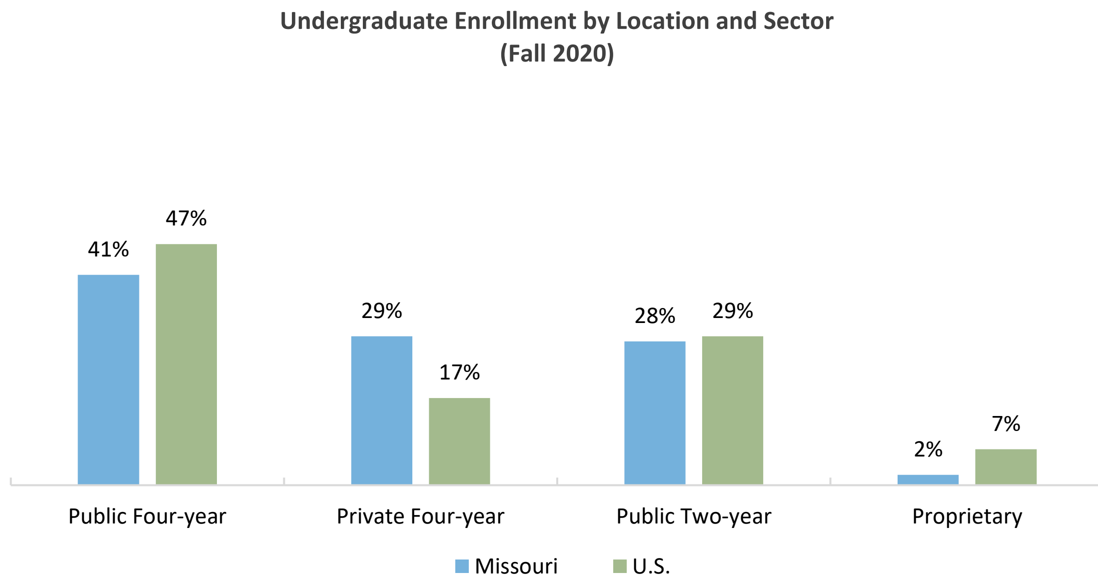
* FAFSA applications received as of March 31, 2021 for the 2021-2022 cycle and March 31, 2022 for the 2022-2023 cycle.

Source: FAFSA Applications and Renewals: National College Attainment Network (https://public.tableau.com/app/profile/bill.debaun.national.college.access.network/viz/2022-23CycleFAFSARenewalsThrough33122/FAFSARenewals).

SECTION 3

Profile of Missouri College Students

Missouri Undergraduates More Likely Than U.S. Undergraduates to Attend Private Four-year Institutions

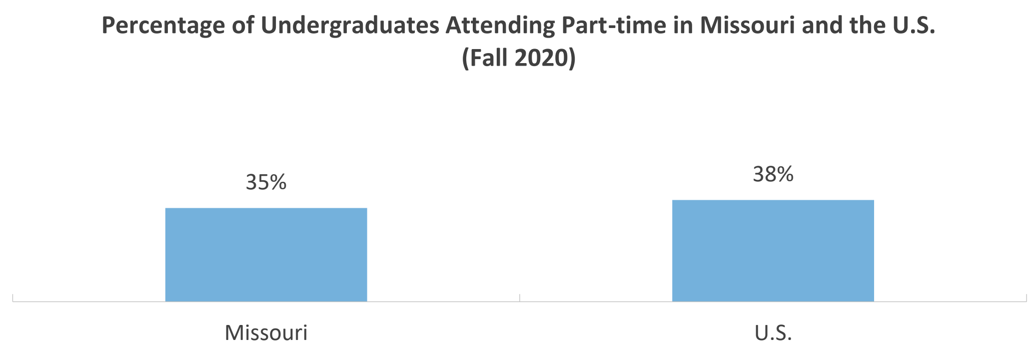


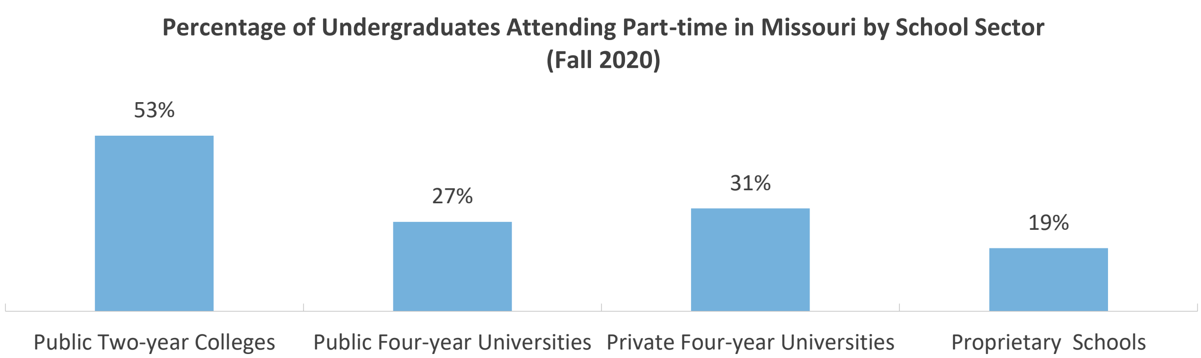
Almost a third of Missouri undergraduates attended private four-year institutions in the fall of 2020, far higher than the percentage of undergraduates nationwide in that sector. Missouri undergraduates were less likely to be enrolled at public four-year or proprietary institutions compared to undergraduates nationwide, and about as likely to be enrolled at public two-year institutions.

Students attending four-year institutions are more likely to be enrolled full time compared to those attending community colleges. Full-time enrollment improves the odds of persisting and earning a degree.

Sources: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS) 2020 (http://nces.ed.gov/ipeds/).

More Than a Third of Undergraduates in Missouri Enroll in School Part Time



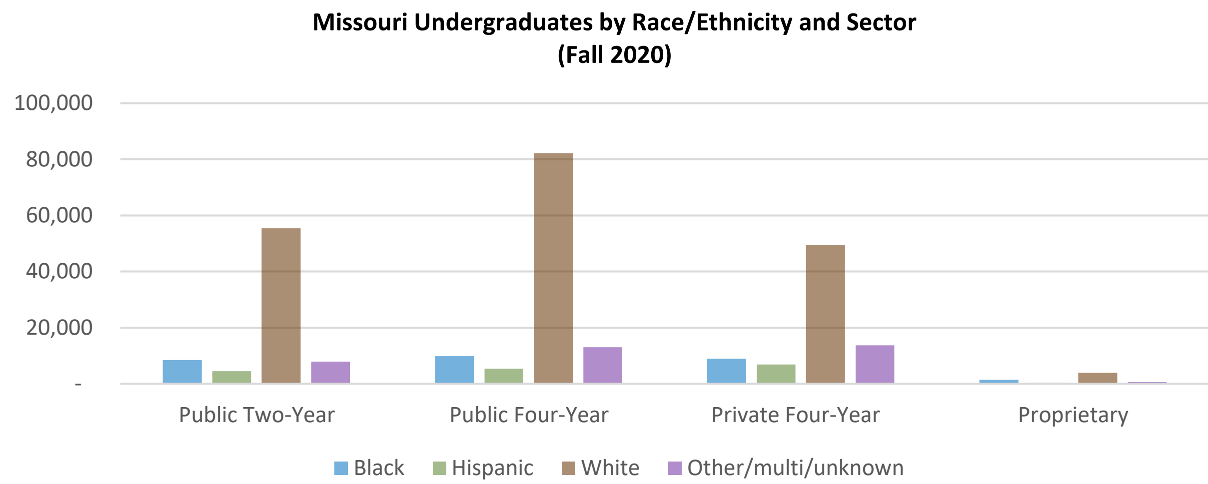


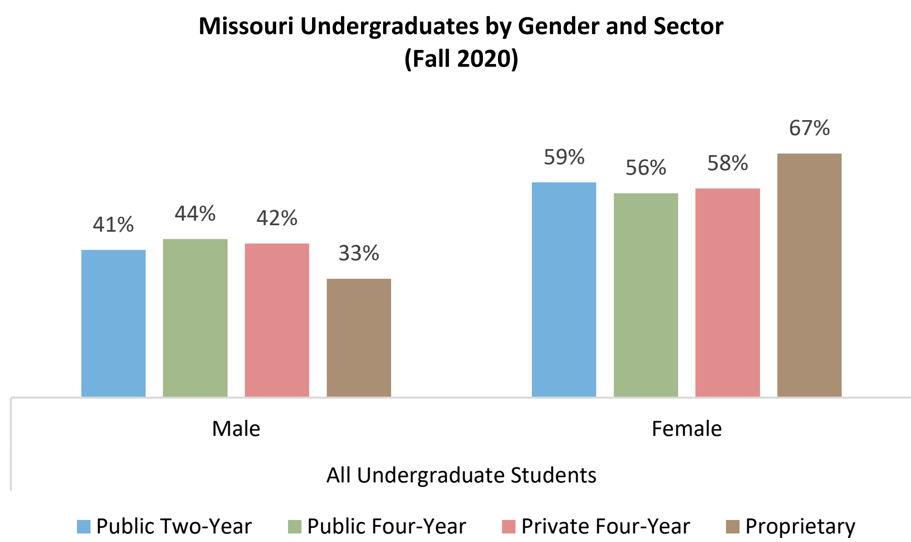
Over a third of undergraduate students in Missouri were attending part time in fall 2020, a little lower than the national rate of 38 percent. Part-time enrollment is much more prevalent at community colleges than at other sectors. Reasons for part-time enrollment vary but may pertain to financial concerns, like having limited funds for school expenses, trying to avoid student loans, or working more hours to provide for oneself and/or family. For several reasons, students who attend part-time are more likely to drop out of school.

Note: Institutions report their enrollment data to the Department of Education. The data are compiled but not de-duplicated at a student level, therefore some students may be concurrently enrolled at multiple institutions which may increase the proportion of students enrolled part-time.

Sources: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS) 2020 (http://nces.ed.gov/ipeds/).

Majority of Undergraduates in Every Sector in Missouri are Female

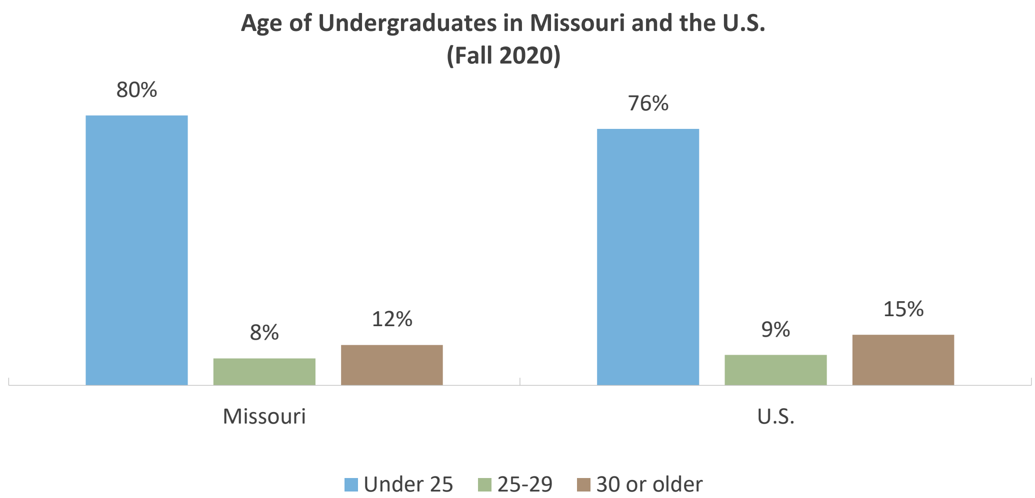


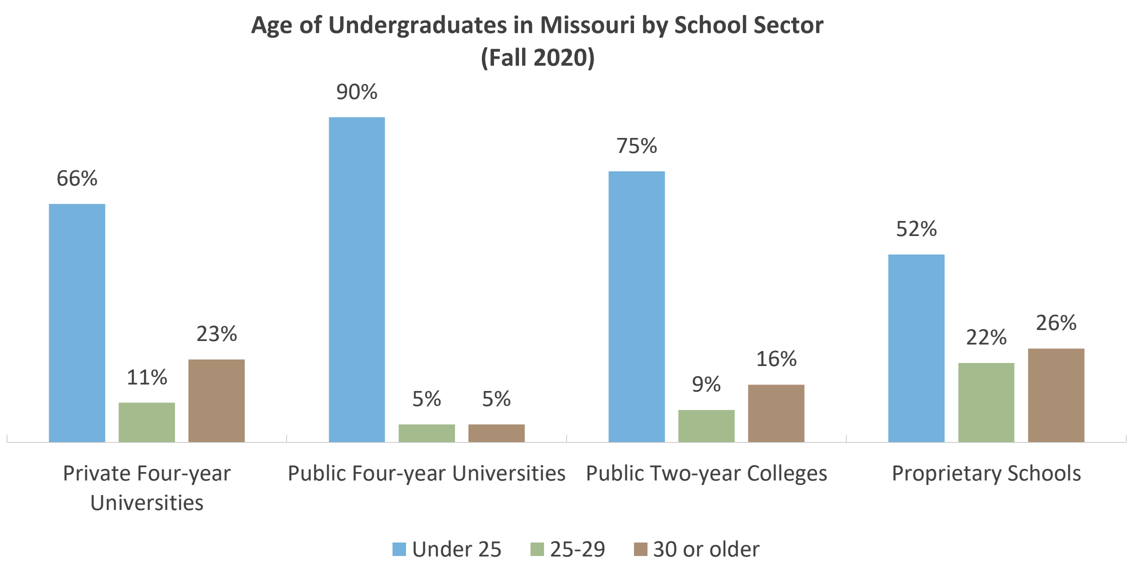


Over 110,000 undergraduates attended public four-year institutions in Missouri in fall 2020, more than the number attending other sectors in the state. The majority of undergraduates in each sector were White. The majority of undergraduates in each sector were female as well, ranging from 56 percent of undergraduates in the public four-year sector to two-thirds of the proprietary sector.

Sources: Enrollment by race: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS) 2020 (http://nces.ed.gov/ipeds/).

Older Students Gravitate to Private Four-year Universities and Proprietary Schools



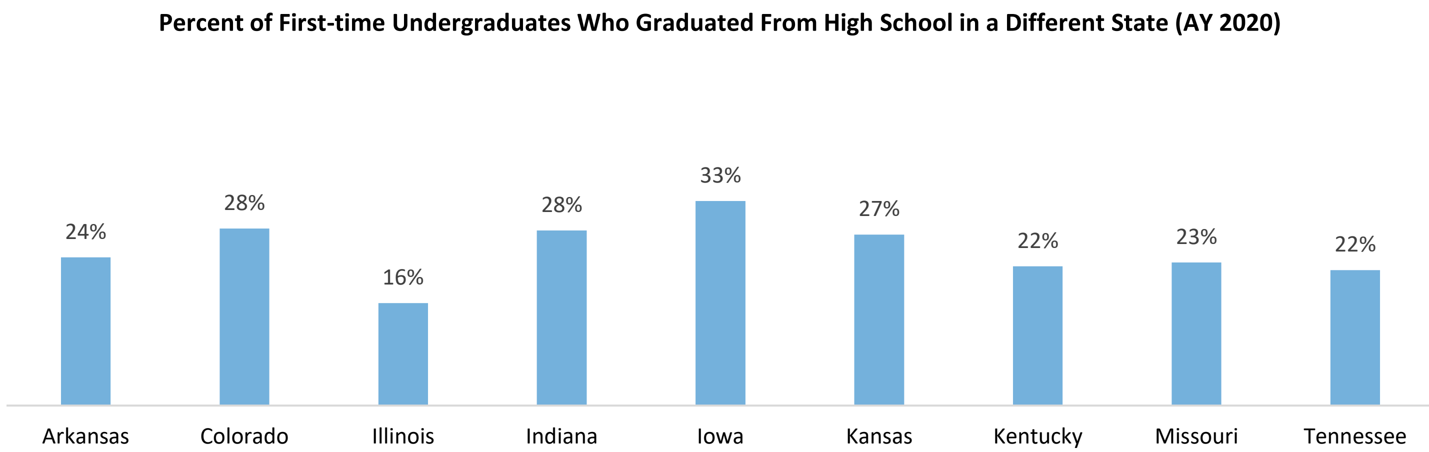


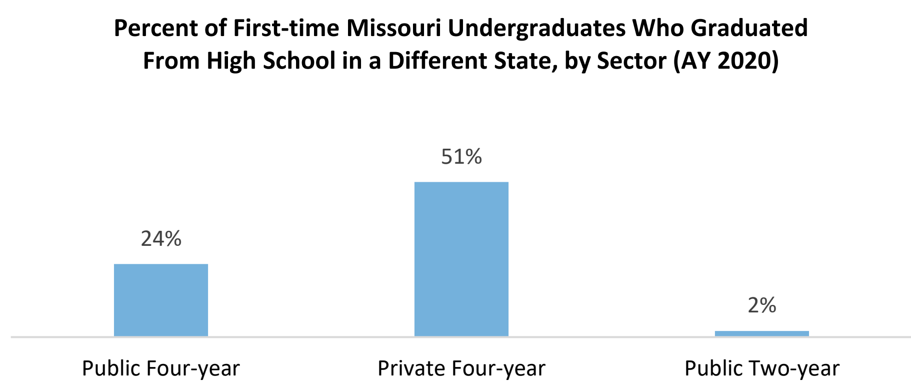
Of all Missouri undergraduates in fall 2020, 80 percent were under age 25, eight percent were between age 25 and 29, and 12 percent were age 30 or older. The pattern in the U.S. is similar.

Older students are more common at private four-year universities and proprietary schools. These students often balance work and school, and have family obligations that compete with academic responsibilities. The educational experience of older students can be much different than their younger peers.

Source: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS) 2020 (http://nces.ed.gov/ipeds/).

Almost a Quarter of Missouri First-time Undergraduates Graduated from an Out-of-state High School



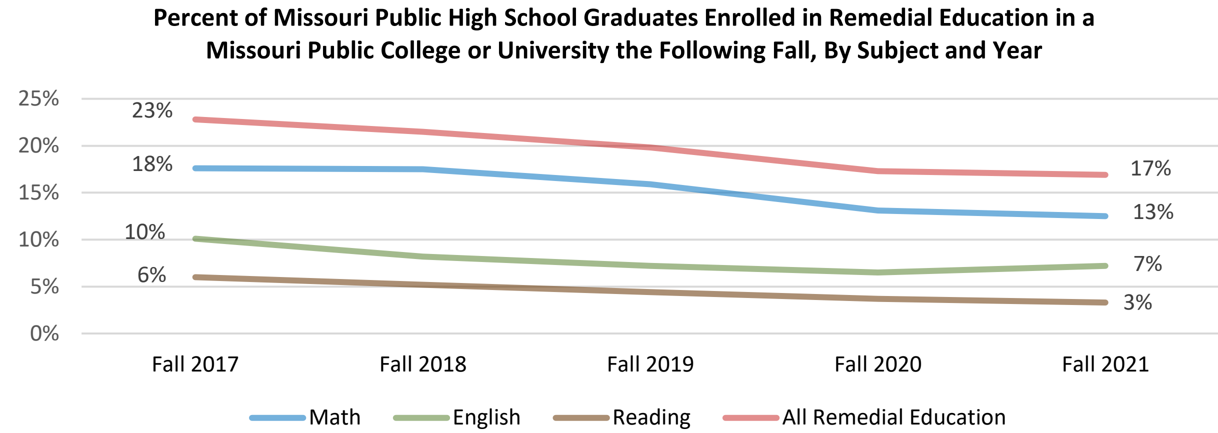


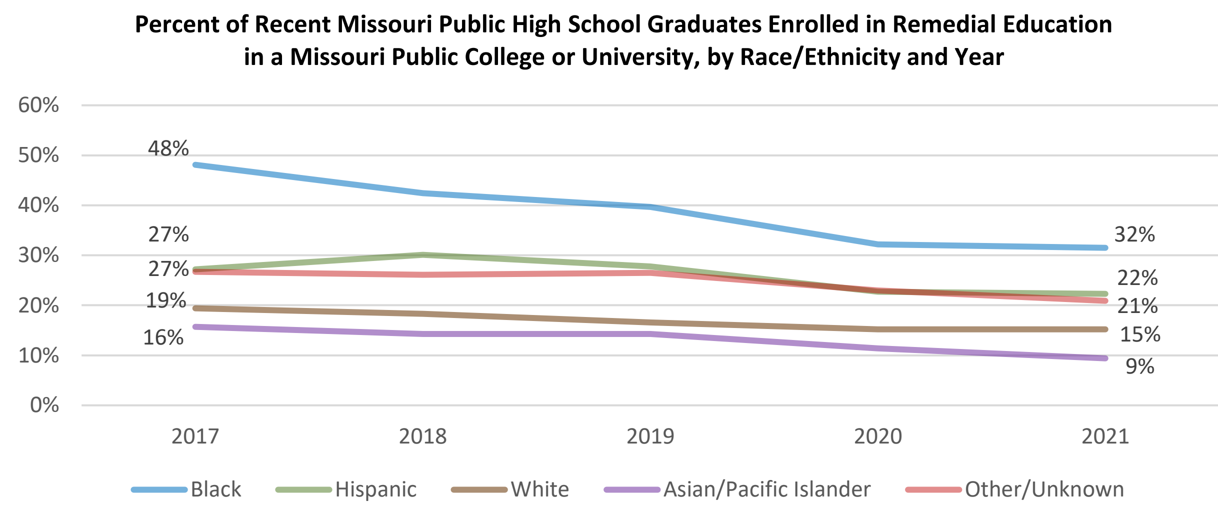
Almost a quarter (23 percent) of the Academic Year (AY) 2020 first-time undergraduates in Missouri had graduated high school from a different state. Arkansas, Kentucky, and Tennessee had similar rates. Iowa had the highest percent of first-time undergraduates from out of state among Missouri's peer states, at 33 percent, and Illinois had the lowest at 16 percent.

The percentage of out-of-state undergraduates varies considerably by sector. In Missouri, just over half of first-time undergraduate students in the private four-year sector had graduated high school in a state other than Missouri. This compared to almost a quarter of public four-year undergraduates and just two percent of public two-year students. These students who graduated from high school outside of Missouri are not eligible for state financial aid but may receive institutional aid. Missouri receives the largest numbers of out-of-state students from Illinois, Kansas, Texas, California, and Arkansas.

Source: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS) 2020 (http://nces.ed.gov/ipeds/).

One-third of Black Missouri High School Graduates Enrolled in Remedial Education in College in 2021





The percentage of Missouri public high school graduates that were taking remedial education classes at a public college or university in Missouri the following fall has declined over the last five years. The percentage of students in any subject of remedial education has declined from 23 percent in 2017 to 17 percent in 2021. Each remedial education subject – math, English, and reading – has also declined over that same time period.

The percentage of high school graduates taking remedial courses in their first fall semester in college has also declined for every race/ethnicity group. There was a particularly large decline among Black students, from 48 percent in 2017 to 32 percent in 2021. Despite this, a gap of 17 percentage points still remains between Black students and White students.

Missouri's Department of Higher Education and Workforce Development has been working with postsecondary institutions on the development of math pathways and corequisite models for remedial education, to improve the effectiveness of courses and ensure that only the students who truly need remediation receive it.

Note: See page 60 in Section 8 to see attainment data for students who had remedial education.

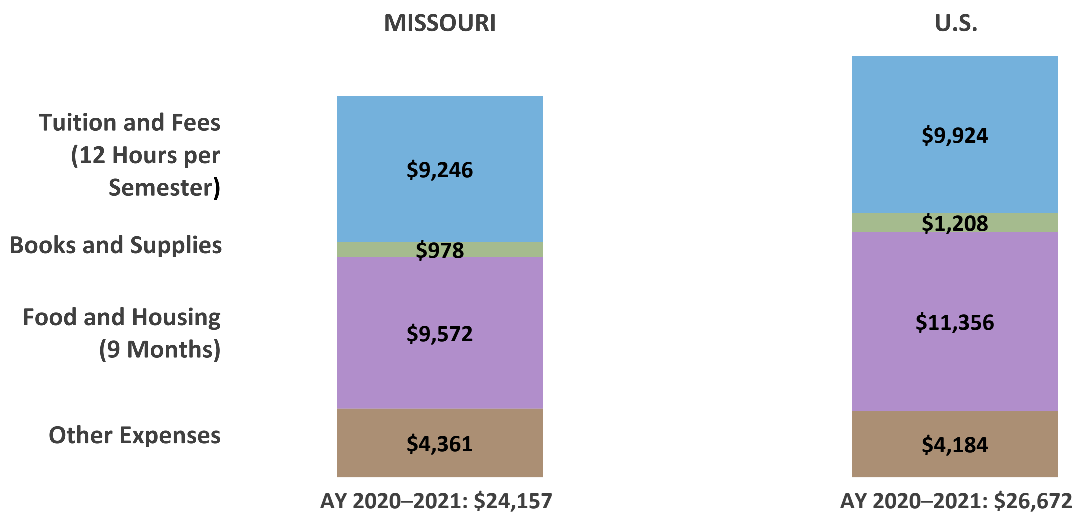
Sources: Department of Higher Education & Workforce Development, High School Graduates Report, Annual Summaries, March 2022 Report (https://dhewd.mo.gov/data/hsgradreport.php).

SECTION 4

Cost of Education and Sources of Aid in Missouri

Missouri Public Four-year University Cost of Attendance Below the National Average

**Weighted Average Public Four-year University Cost of Attendance for Two Semesters for Full-time Undergraduates Living Off Campus in Missouri and the U.S.
(AY 2020–2021)**



The tuition and fees charged to students,* along with living expenses, books and supplies, transportation, and other expenses, constitute a school's cost of attendance. Weighted for enrollment,** two semesters of full-time*** undergraduate education at a Missouri public four-year university averaged $24,157 in Award Year (AY) 2020–2021. This amount was $2,515 less than the national average, but is still a large expense for students. A full Pell grant ($6,495 in 2020) and a full Access Missouri university need-based grant ($2,850) together cover less than half of the full cost of attendance for a Missouri student at a public university. The primary expenses facing students are not tuition and fees but food and housing, which make up almost 40 percent of the cost of attendance in Missouri. These costs are not discretionary: students must eat, and unless they live with parents — and 82 percent of U.S. public university undergraduates do not — they must pay rent. Although housing affordability has been a problem in certain areas of the country for some time, housing costs across the nation have increased dramatically during the pandemic. Together, food, housing, and other expenses comprise about 58 percent of the student budget, while tuition and fees make up 38 percent.

Cost of attendance is the starting point for determining financial aid. From the cost of attendance, the student's expected family contribution**** is subtracted to calculate the student's financial need. Once financial need is determined, an aid package, consisting primarily of grants and loans, can be developed. What students actually pay for college depends on a number of factors, including the aid they receive and how frugally they live, as well as their enrollment patterns. To cut costs, many students enroll part time, work long hours, or both — but these strategies may increase their chance of dropping out of school without completing their program of study.

* Based on published tuition costs for each institution. Students often end up paying less than the published amount due to tuition discounting.

** An institution's costs are multiplied by its enrollment. The sum of costs for all schools is then divided by full-time, undergraduate enrollment, such that schools with higher enrollments are given greater weight. See glossary for clarification.

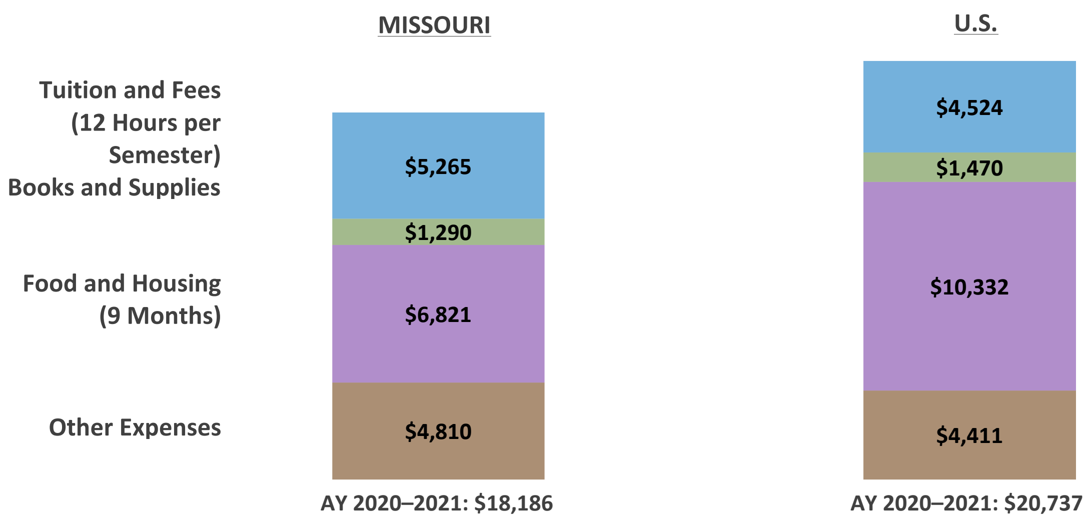
*** 12 semester hours or more.

**** Expected Family Contribution is now known as the Student Aid Index. It is an index number that colleges use to determine a family's eligibility for financial aid. The number is determined through a federal formula that considers family income and size as well as the number of children in college, among other factors. The average amount that families actually contribute to educational expenses is unknown.

Sources: All Costs and Enrollments for 2020–2021: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS) 2020 (http://nces.ed.gov/ipeds/); All other: U.S. Department of Education, National Postsecondary Student Aid Study – Administrative Collection (NPSAS-AC) 2018 (http://www.nces.ed.gov/das).

Missouri Public Two-year College Cost Lower Than the National Average

Weighted Average Public Two-year College Cost of Attendance for Two Semesters for Full-time Undergraduates Living Off Campus in Missouri and the U.S. (AY 2020–2021)



The cost for two full-time* semesters at Missouri public two-year colleges, weighted for enrollment,** averaged $18,186 in AY 2020–2021. This is $2,551 less than the national average, but is still a large expense for students. A full Pell grant ($6,495 in 2020) and the average grant award for the A+ Scholarship Program in 2020-2021 ($3,363) together cover just over half of the full cost of attendance for a Missouri student at a community college.*** Costs in most categories have increased in Missouri and nationally since AY 2019–2020, with the exception of food and housing in Missouri and books and supplies nationally. The largest percentage increase in Missouri occurred in the books and supplies category.

The total cost of attendance for a student includes tuition**** and fees, books and supplies, and living expenses. The student's financial need is calculated by subtracting the expected family contribution***** from the cost of attendance, which is the basis for determining the financial aid package. This package consists primarily of grants and loans. The actual amount that students pay for college depends upon factors such as how much and what type of aid they receive, how frugally they live, and the number of credit hours they take. To save money, students may enroll in school part time, work long hours, or both — but these strategies may increase their chance of dropping out of school without completing their program of study.

* 12 semester hours or more.

** An institution's costs are multiplied by its enrollment. The sum of costs for all schools is then divided by full-time, undergraduate enrollment, such that schools with higher enrollments are given greater weight. See glossary for clarification.

*** While the A+ Scholarship Program is the largest grant program among community college students in Missouri, many students in this sector also received an Access Missouri Grant in AY 2020-2021 (8,202 students)

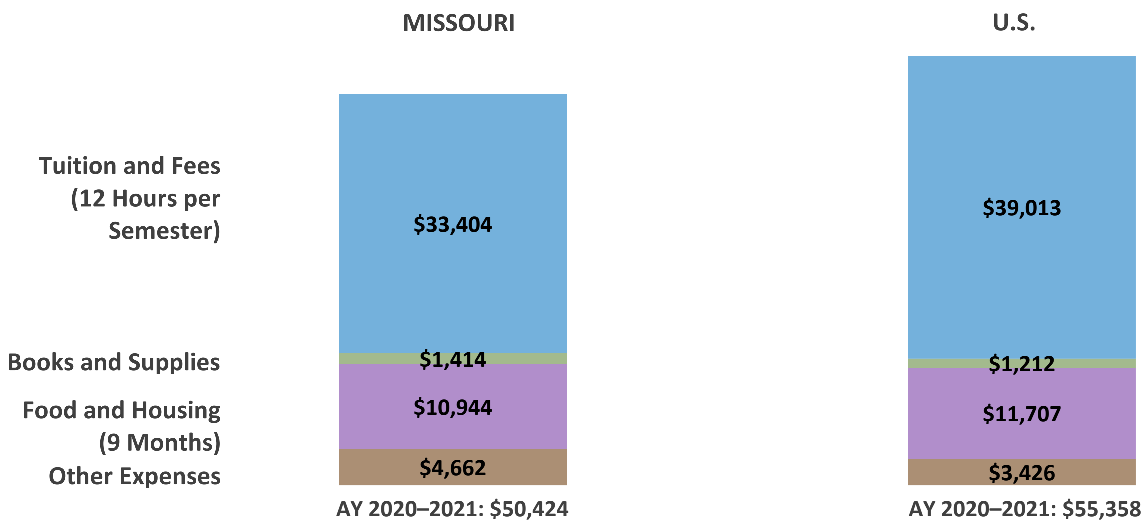
**** Based on published tuition costs for each institution. Students often end up paying less than the published amount due to tuition discounting.

***** Expected Family Contribution is now known as the Student Aid Index. It is an index number that colleges use to determine a family's eligibility for financial aid. The number is determined through a federal formula that considers family income and size as well as the number of children in college, among other factors. The average amount that families actually contribute to educational expenses is unknown.

Sources: All Costs and Enrollments for 2020–2021: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS) 2020 (http://nces.ed.gov/ipeds/); All other: U.S. Department of Education, National Postsecondary Student Aid Study – Administrative Collection (NPSAS-AC) 2018 (http://www.nces.ed.gov/das).

Costs at Missouri Private Four-year Universities Lower Than National Average

Weighted Average Private Four-year University Cost of Attendance for Two Semesters for Full-time Undergraduates Living Off Campus in Missouri and the U.S. (AY 2020–2021)



Weighted for enrollment,** the total cost of attendance for undergraduates at Missouri private four-year universities for two full-time*** semesters averaged $50,424 in AY 2020–2021. This is lower than the national cost of attendance for the same year, at $55,358, but is still a large expense for students. A full Pell grant ($6,495 in 2020) and a full Access Missouri university need-based grant ($2,850) together cover less than one-fifth of the full cost of attendance for a Missouri student at a private four-year university. The difference is mainly because tuition**** and fees costs in Missouri are $5,609 lower than the national average.

As with public institutions, students who enroll in private four-year universities may receive an aid package, which primarily consists of grants and loans. A student's need is calculated by subtracting the expected family contribution**** from the cost of attendance in order to determine what kind of financial aid package they should receive. The total cost of attendance includes tuition and fees, books and supplies, and living expenses. To save money, students may choose to enroll in school part time, work long hours, or both — but these strategies may increase their chance of dropping out of school without a degree.

* An institution's costs are multiplied by its enrollment. The sum of costs for all schools is then divided by full-time, undergraduate enrollment, such that schools with higher enrollments are given greater weight. See glossary for clarification.

** 12 semester hours or more.

*** Expected Family Contribution is now known as the Student Aid Index. It is an index number that colleges use to determine a family's eligibility for financial aid. The number is determined through a federal formula that considers family income and size as well as the number of children in college, among other factors. The average amount that families actually contribute to educational expenses is unknown.

**** Based on published tuition costs for each institution. Students often end up paying less than the published amount due to tuition discounting.

Sources: All Costs and Enrollments for 2020–2021: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS) 2020 (http://nces.ed.gov/ipeds/); All other: U.S. Department of Education, National Postsecondary Student Aid Study – Administrative Collection (NPSAS-AC) 2018 (http://www.nces.ed.gov/das).

Living Expenses at Missouri Universities Are Mostly Within Budget; Students With Dependents Are Exceptions

Food and housing make up almost 40 percent of the cost of attending a public university in Missouri. These costs are variable, but they are not discretionary. Students have some control over their lifestyle choice, but they must eat and pay rent. As the food and housing cost estimate is the largest single component of the official cost of attendance at both community colleges and public universities, it has critical implications for the types and amounts of financial aid that students are offered and the amounts institutions expect that students/families can afford to pay.

Using their knowledge of housing located in areas popular with students, Missouri universities attempt to estimate the cost of food and housing that is modest but adequate. The room and board estimate at Missouri public universities for the 2020-2021 Award Year (AY) ranged from $6,994 to $11,748, with the average estimate at $9,593,* or $1,066 per month. The U.S. Department of Agriculture (USDA) estimates the minimum dietary needs of an adult can be met on $289 per month provided that all food is prepared at home, an unlikely scenario for young adults. Subtracting $289 from $1,066 leaves $777 for rent and utilities. The addition of one small pepperoni pizza per week, however, would increase the monthly food budget by $43,** leaving $734 for rent and utilities.

The U.S. Department of Housing and Urban Development (HUD) estimates the average nine-month cost of rent and utilities for a one-bedroom unit in the counties where Missouri public universities are located to be $5,658, or $629 per month. Sharing housing lowers the cost: a shared one-bedroom costs $314 per person per month and a shared two-bedroom costs $401 per person per month.

These data suggest that a thrifty student who is a savvy grocery buyer, cooks nearly all his meals, and shares housing would stay within the institutional room and board estimate of $1,066 per month. A student who shares all these traits and lives alone will likely be able to stay within the estimate at the majority of Missouri public universities. At 85 percent of Missouri universities, the room and board estimate is too low for a single parent with a dependent.

Average USDA/HUD Food and Housing Costs for Two Semesters (9 Months) for Counties Where Missouri Public Universities Are Located
(AY 2020–2021)

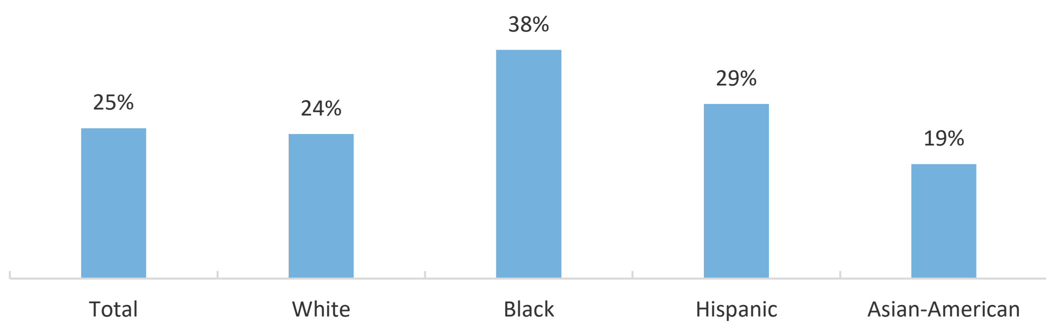
	Student sharing 1-bedroom unit	Student sharing 2-bedroom unit	Student living alone in 1-bedroom unit	Single parent student with 1 child in 2-bedroom unit
Food	$2,601	$2,601	$2,601	$3,914
Housing	$2,829	$3,605	$5,658	$7,209
Total Food and Housing	**$5,430**	**$6,206**	**$8,259**	**$11,123**
Average Room and Board Budget	**$9,593**	**$9,593**	**$9,593**	**$9,593**

*$10,180 when weighted for enrollment; see glossary for clarification. ** Based on the cost at Domino's Pizza near the University of Missouri-Columbia, August 2022.

Sources: All Costs and Enrollments for 2020–2021: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS) 2020 (http://nces.ed.gov/ipeds/); U.S. Department of Agriculture. "Official USDA Food Plans: Cost of Food at Home at Four Levels, U.S. Average, June 2021." (https://www.fns.usda.gov/cnpp/usda-food-plans-cost-food-reports-monthly-report); U.S. Department of Housing and Urban Development (HUD). "Fair Market Rents 2021 for Existing Housing, October 2021," (http://www.huduser.org/datasets/fmr.html)

On Average, The Net Price of a Missouri Public University is More Than a Third of Household Income for Black Families

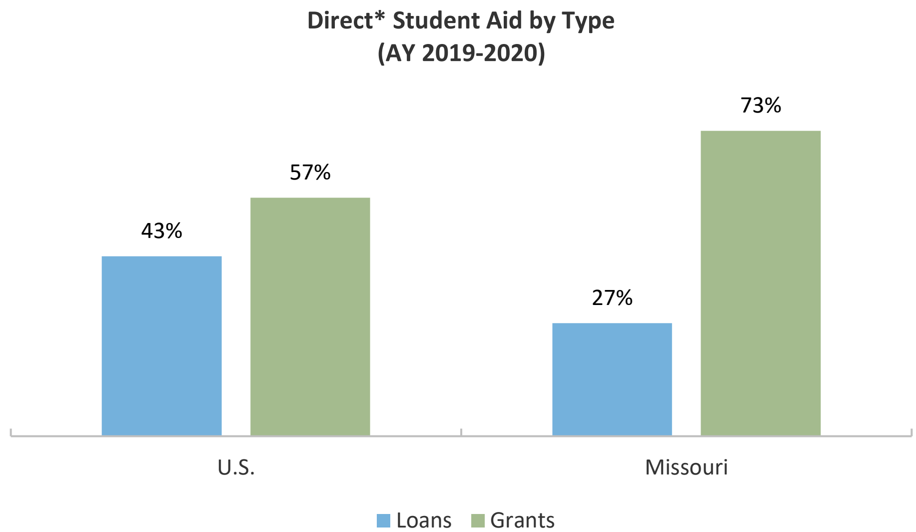
Average Net Price at a Missouri Public Four-Year University as a Percentage of Missouri Median Household Income, by Race (2018)



Average net price at Missouri public four-year universities makes up about 25 percent of the median Missouri household income, but this varies by race. Net price made up about 19 percent of the median income of Asian-American students and 24 percent of White students, but 29 percent and 38 percent of Hispanic students and Black students, respectively. Net price is the total cost of attendance (tuition and fees, books and supplies, room and board, and other expenses) minus federal, state, or institutional grants and scholarships. This means that net price is the amount that students and their families would need to cover with savings, earnings, or loans.

Source: Center on Budget and Policy Priorities, States Can Choose Better Path for Higher Education Funding in COVID-19 Recession, February 2021 ([States Can Choose Better Path for Higher Education Funding in COVID-19 Recession | Center on Budget and Policy Priorities (cbpp.org)]).

Nearly Three-quarters of Student Aid in Missouri is in the Form of Grants



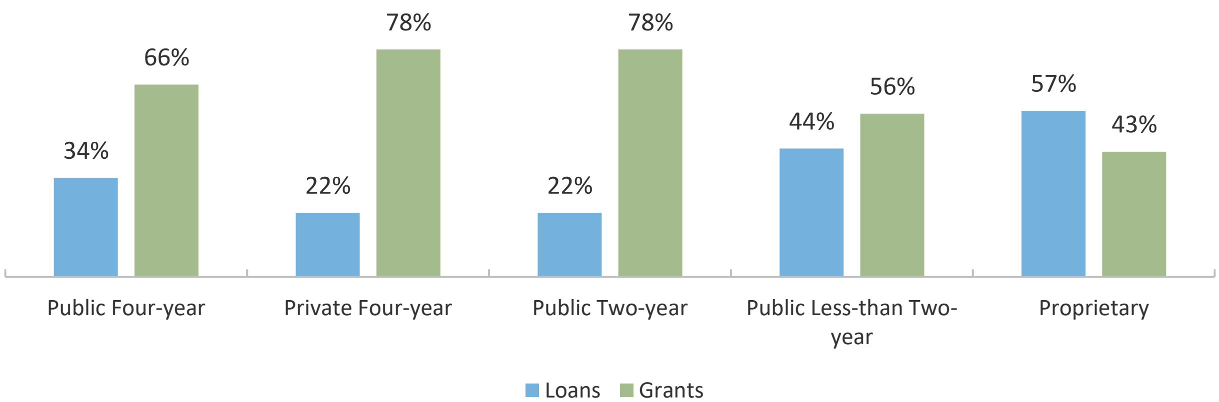
In Missouri, nearly three-quarters of student aid was in the form of grants, far greater than in the U.S. Nationally, less than half of student aid has been in the form of loans and over half of the aid came from grants, including state and institutional grants.* Most student loans in Missouri and nationwide are Federal Direct Loans.

* Direct student aid includes aid that is generally available, goes directly to students, and derives from state and federal appropriations (including both FFELP and FDLP loans), plus institutional grants.

Sources: Aid in Missouri: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS) 2020 (http://nces.ed.gov/ipeds/); Aid in the U.S.: The College Board. *Trends in Student Aid 2021* (http://trends.collegeboard.org/).

Majority of Student Aid at Most Missouri Institutions is Grant Aid

Direct Student Aid From All Sources by Type in Missouri, by Sector (AY 2019-2020*)



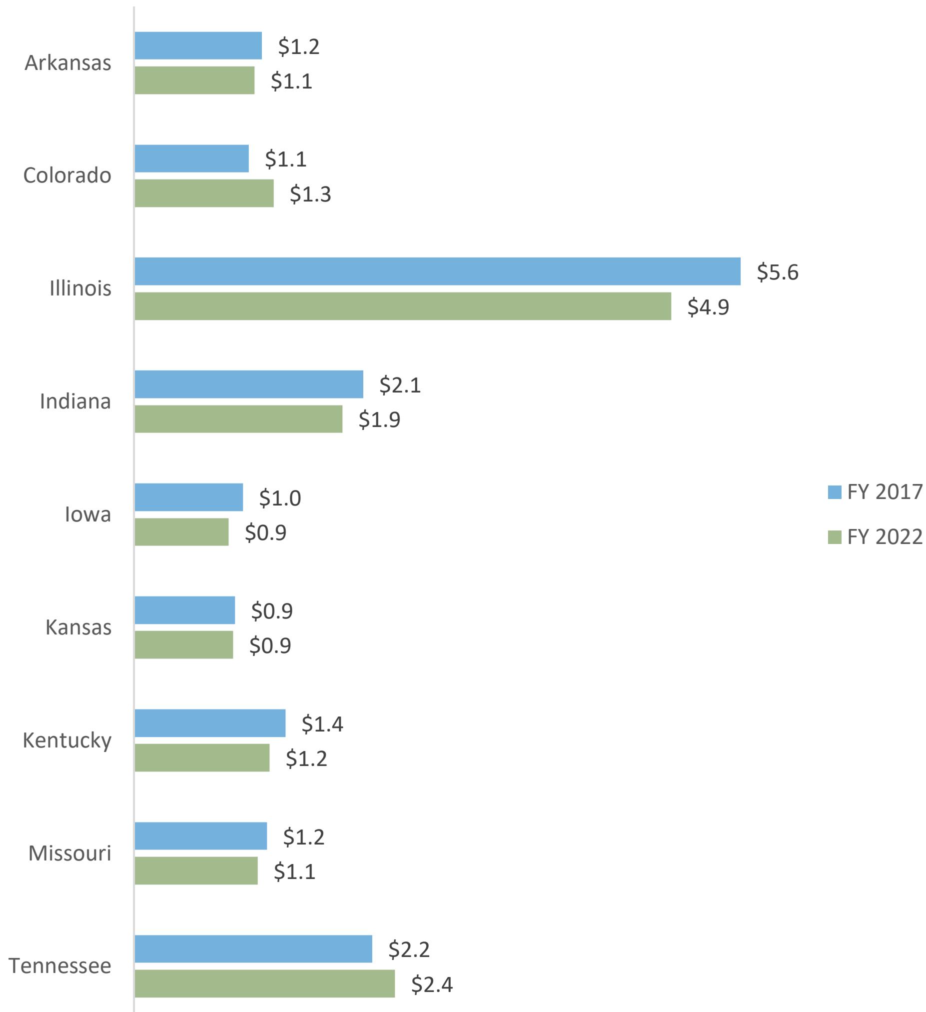
Except for the proprietary school sector, Missouri awards students more in grants than loans. Grant aid made up about two-thirds of the aid dollars in the public four-year sector, over three-quarters of the aid in the private four-year and public two-year sectors, and a little over half of the aid in the public less-than two-year sector. The proprietary sector is the only sector where loans made up more than half of the direct student aid.

* Direct student aid includes aid that is generally available, goes directly to students, and derives from state and federal appropriations (including both FFELP and FDLP loans), plus institutional grants. Work-study aid data in Missouri is not available. Work-study aid accounted for about one percent of direct student aid nationally.

Sources: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS) 2020 (http://nces.ed.gov/ipeds/).

Many States Have Decreased Support for Higher Education Over the Past Five Years

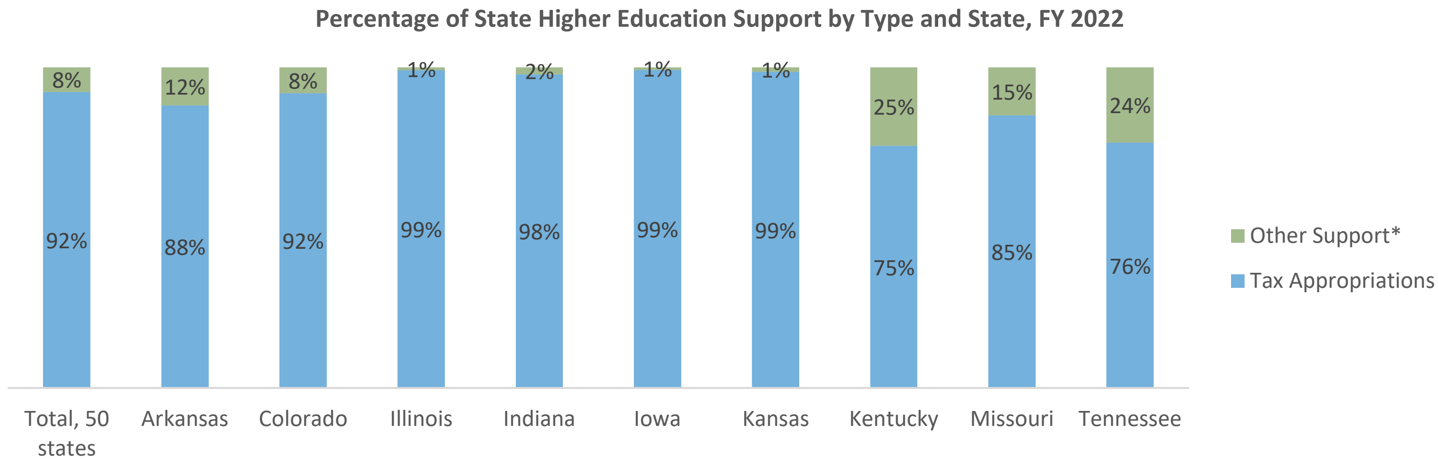
State Fiscal Support for Higher Education, by State and Year, in 2022 Dollars

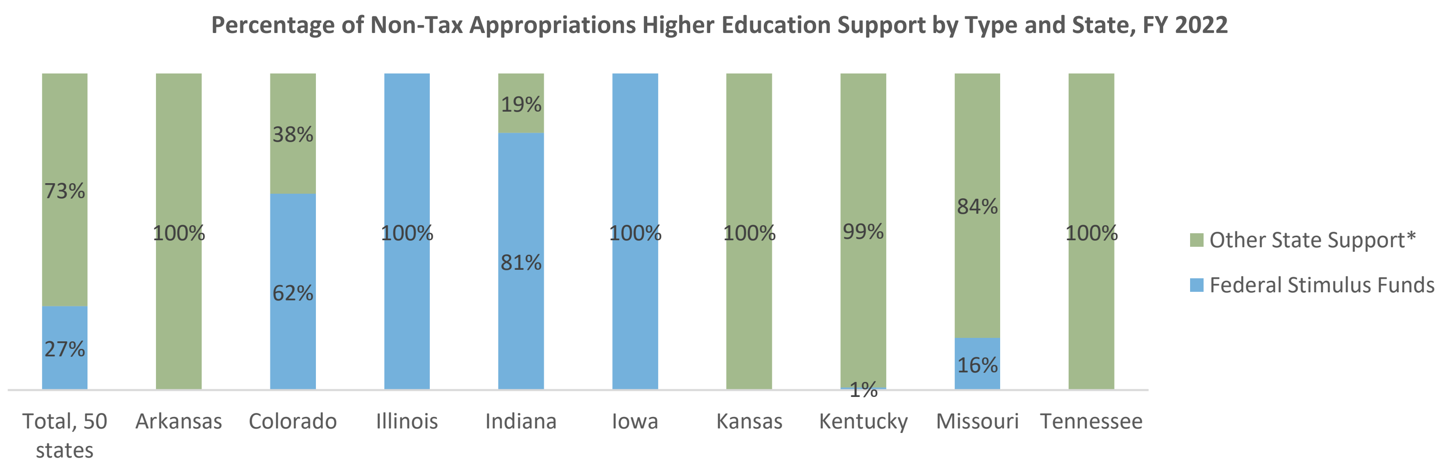


Nationally, state support for higher education has increased by about three percent over the past five years, from $102.0 billion in fiscal year (FY) 2017 (inflation adjusted to 2022 dollars) to $105.4 billion in FY 2022. Colorado and Tennessee saw even larger increases over that same time period, while the other peer states saw decreases. Missouri had a decrease of seven percent between FY 2017 and FY 2022.

Source: State Higher Education Finance, Grapevine report on state fiscal support for higher education, 2022 (https://shef.sheeo.org/grapevine/).

Fifteen Percent of State Higher Education Support in Missouri Comes From Sources Other Than Tax Appropriations





Many states allocate additional state support to higher education beyond tax appropriations. Sources for the other state support are numerous and could include things like lottery monies, oil/mineral extraction fees on certain land, and interest on state-funded endowments. Missouri and all of its peer states provided additional state support outside of tax appropriations. About 15 percent of state support for higher education in Missouri comes from sources other than tax appropriations, larger than the national average of eight percent. Federal stimulus funds** also made up some of the higher education support in FY 2022. In Missouri in fiscal year 2022, about 16 percent of higher education support not sourced from tax appropriations came from federal stimulus funds.

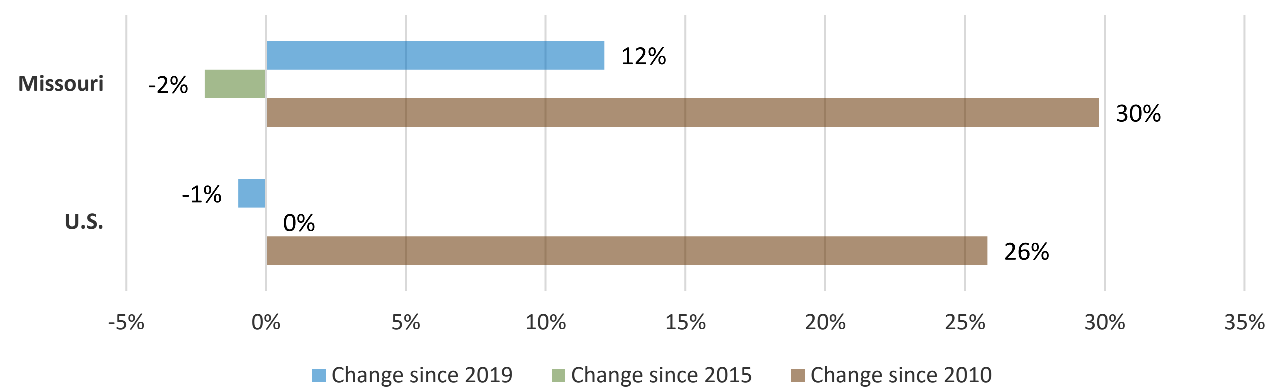
*Other Support include appropriated and non-appropriated non-tax funding set aside by the state for higher education and can come from a variety of sources, including lottery revenue, tobacco settlements, casinos, oil/mineral extraction fees, and interest or earnings received from state-funded endowments set aside for public institutions. The majority of the 15 percent of Other Support in Missouri comes from lottery proceeds.

**This includes federal stimulus funding allocated to states for higher education. It excludes funds (such as HEERF) allocated directly to institutions or students.

Source: State Higher Education Finance, Grapevine report on state fiscal support for higher education, 2022 (https://shef.sheeo.org/grapevine/).

Public Educational Appropriations Decreased in Missouri Over the Last Ten Years

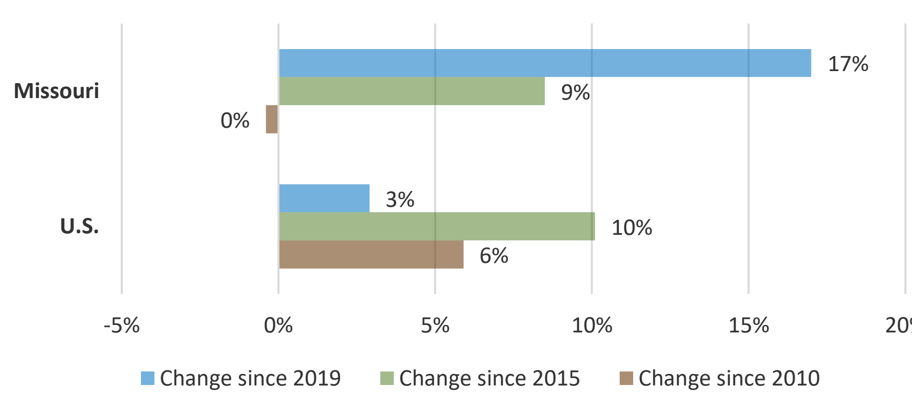
Percent Change in Public Higher Education Net Tuition Revenue Per Full-Time Equivalent Student (Constant Adjusted 2020 Dollars)



Net tuition as a percent of total education revenue has consistently increased for decades. In 1980, net tuition made up 21 percent of total educational revenue on average nationwide; this increased to 44 percent by 2020. Half of all U.S. states in 2020 were receiving over 50 percent of their educational revenue from tuition. In Missouri, the percent of total education revenue made up by tuition has increased from 22 percent in 1980 to 47 percent in 2020.

Missouri and the U.S. have seen an increase in tuition revenue over the last ten years, with Missouri experiencing a 30 percent increase and the U.S. experiencing a 26 percent increase during that time period. Missouri also had an increase in tuition revenue between 2019 and 2020, while there was a decrease nationwide. While the U.S. has experienced increases in public educational appropriations over the last ten years, Missouri saw a 0.4 percent decrease between 2010 and 2020.

Percent Change in Public Educational Appropriations Per Full-Time Equivalent Student (Constant Adjusted 2020 Dollars)

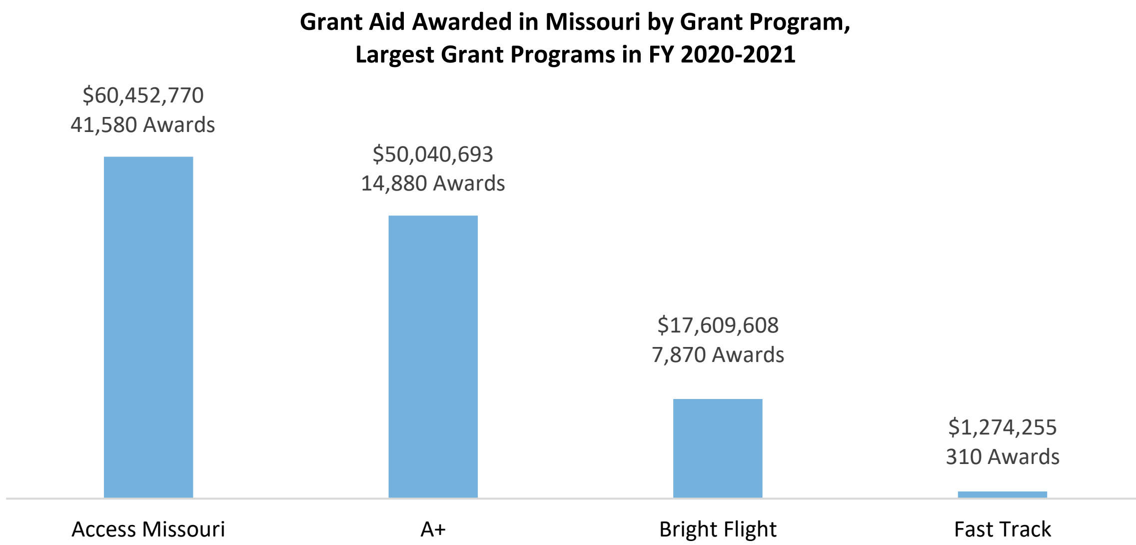


Source: State Higher Education Executive Officers Association (SHEEO), State Higher Education Finance: FY 2020 (https://shef.sheeo.org/wp-content/uploads/2021/05/SHEEO_SHEF_FY20_Report.pdf).

SECTION 5

Grant Aid and Net Price in Missouri

Access Missouri and A+ Programs Provide the Most State Grant Aid in Missouri



The federal Pell Grant Program is the largest source of grant aid in Missouri, awarding more than 96,000 students more than $387.8 million in award year (AY) 2020-2021. Combined with the Federal Supplemental Educational Opportunity Grant (FSEOG), which awarded more than $20 million to over 25,000 students, the federal government provided 76 percent of the grant dollars in Missouri in AY 2020-2021.

The above chart displays the total awards of the largest state grant programs in Missouri in AY 2020-2021. The four largest state grant programs provided 24 percent of the grant dollars in Missouri that year. The Access Missouri Financial Assistance Program is the largest of the state grant programs, disbursing over $60 million to more than 41,000 students in AY 2020-2021. The Access Missouri program is a need-based grant available to full-time undergraduate students who have an expected family contribution of $12,000 or less. Grant recipients must maintain a GPA of 2.5 or higher in order to be eligible for a renewal grant.

The second-largest state grant program, the A+ Scholarship Program, provided over $50 million to nearly 15,000 students in AY 2020-2021. This scholarship program provides merit-based scholarships to eligible graduates of certain high schools who attend a participating community college or vocational school. Students must meet a variety of academic criteria in high school and college to be eligible for both the initial and renewal scholarships.

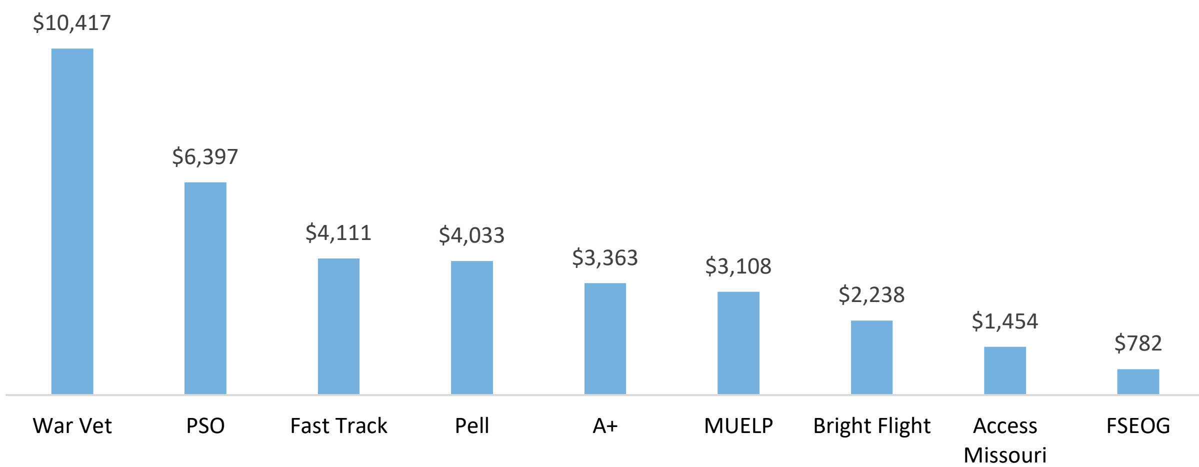
The Bright Flight Program is a merit-based scholarship program for Missouri high school seniors with high ACT or SAT scores. The scholarship requires these high-performing students to enroll in a participating Missouri institution in the fall following high school graduation. The Bright Flight Program awarded more than $17 million to almost 8,000 students in AY 2020-2021.

The Fast Track Incentive Grant, a program for adult learners, provided about $1.3 million in grant aid in AY 2020-2021 to 310 students. Smaller grant programs, like The War Veteran's Survivors Grant Program, the Public Service Officer Survivor Grant program, and the Minority and Underrepresented Environmental Literacy Program (MUELP) provided less than $450,000 in grant aid combined in AY 2020-2021.

Source: Aid in Missouri: Missouri Department of Higher Education and Workforce Development, Missouri State Grants 2012-2021, special request (unpublished); Department of Higher Education and Workforce Development, Grants and Scholarship (https://dhewd.mo.gov/ppc/grants/).

The Largest State Grant Program in Missouri Serves Many, But With Smaller Awards

Average Grant Award in Missouri by Grant Program, FY 2020-2021



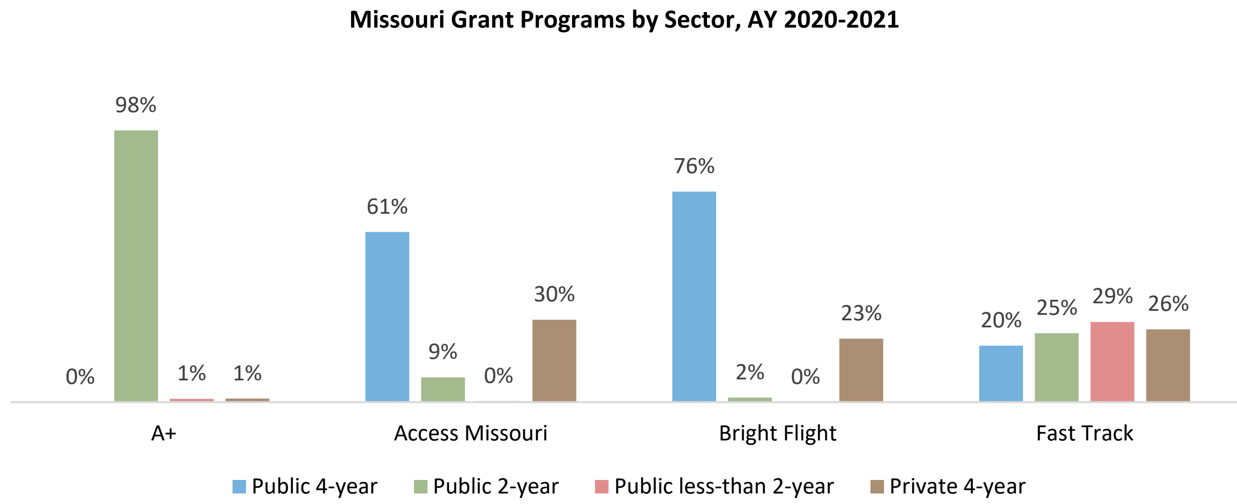
While small in terms of total amount awarded, three grant programs in Missouri provided substantial awards to a limited number of recipients who met particular eligibility criteria. The largest average grant award in Missouri in academic year (AY) 2020-2021 was for the War Veteran's Survivors Grant Program which provided awards to 26 students in AY 2020-2021. The Public Service Officer Survivor Grant program provided an average award of $6,397 to 21 students in AY 2020-2021. The Fast Track Incentive Grant, a program for adult learners, provided an average of $4,111 per student to 310 students.

The average Pell grant award in Missouri in AY 2020-2021 was $4,033. The Pell Grant Program is the largest grant program in Missouri, providing grants to more than 96,000 students in AY 2020-2021. The Federal Supplemental Educational Opportunity Grant (FSEOG) provided an average of $782 per student to over 25,000 students.

The A+ Scholarship Program and the Minority and Underrepresented Environmental Literacy Program (MUELP) each provided an average award of more than $3,000 per recipient. The Bright Flight Program gave an average award of $2,238 per student in AY 2020-2021, and the largest state grant program in Missouri, the Access Missouri Financial Assistance Program, provided a relatively modest average award of $1,454 per recipient.

Source: Aid in Missouri: Missouri Department of Higher Education and Workforce Development, Missouri State Grants 2012-2021, special request (unpublished); Department of Higher Education and Workforce Development, Grants and Scholarship (https://dhewd.mo.gov/ppc/grants/).

The Distribution of the Four Largest State Grant Programs in Missouri Vary by Sector

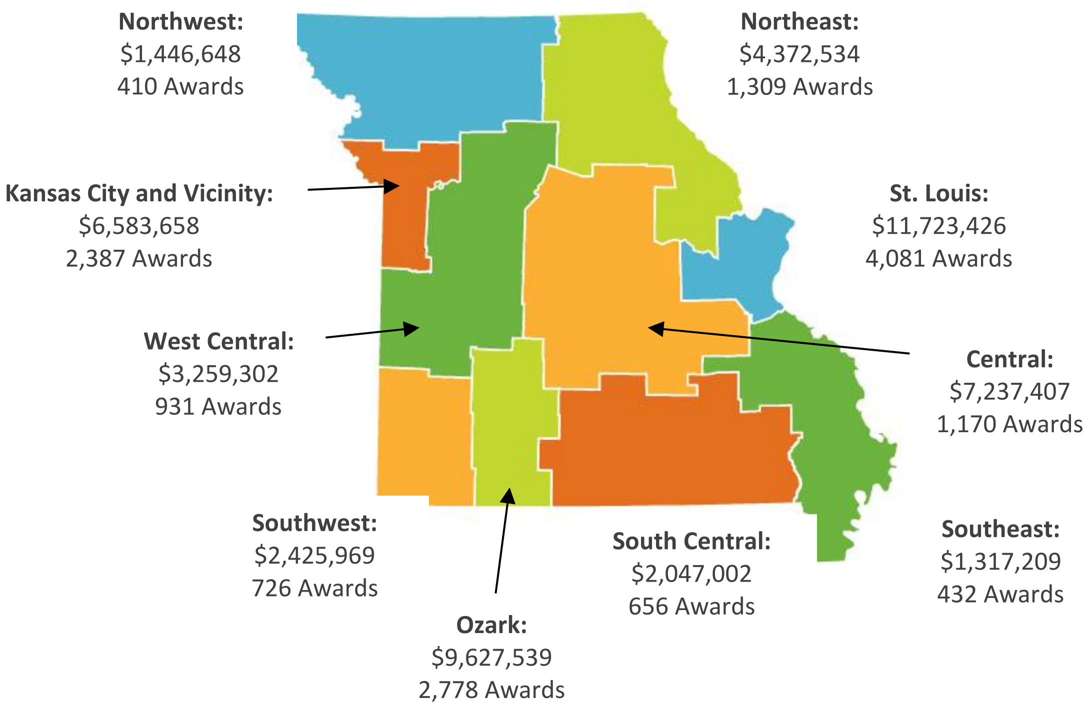


State grant programs in Missouri serve different purposes which can then be reflected in the way funds are disbursed to students in different school sectors. The A+ Scholarship Program, which provides funds for high school students to attend a community college or vocational school, is, naturally, used almost exclusively by students in the public two-year sector. More than half of the funds awarded for the Access Missouri Financial Assistance Program and Bright Flight Program were to students in the public four-year sector, while students in the private four-year sector received between 23-30 percent. Awards for the Fast Track Incentive Grant were spread almost equally between the four institutional sectors in Missouri.

Sources: Aid in Missouri: Missouri Department of Higher Education and Workforce Development, Missouri State Grants 2012-2021, special request (unpublished); Department of Higher Education and Workforce Development, Grants and Scholarship (https://dhewd.mo.gov/ppc/grants/).

A+ Awards Vary by Institutional Region

A+ Scholarship Program
Total Disbursement Amount and Number of Awards,
AY 2020-2021



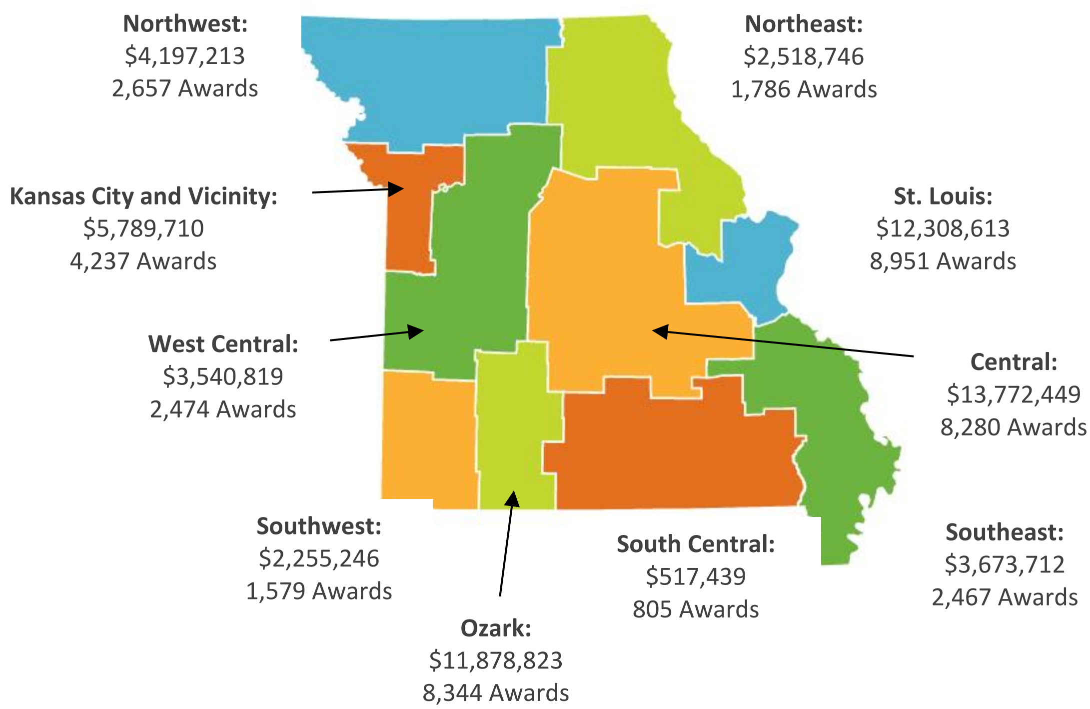
The St. Louis region had the largest number of awards of the A+ Scholarship Program in Missouri, with almost $12 million disbursed to more than 4,000 students enrolled at institutions in the region. Other regions with large concentrations of higher education institutions, such as the Ozark, Central, and Kansas City and Vicinity regions, also had high numbers of awards. The more rural regions had fewer awards, with the Southeast and Northwest regions having fewer than 500 students each receiving the scholarship. The data reflect awards to students attending institutions located in each region, which may or may not reflect the region in which the student lives.

The A+ Scholarship Program provides merit-based scholarships to eligible graduates of certain high schools who attend a participating community college or vocational school. Students must meet a variety of academic, attendance, and community service criteria in high school and college to be eligible for both the initial and renewal scholarships.

Sources: Aid in Missouri: Missouri Department of Higher Education and Workforce Development, Missouri State Grants 2012-2021, special request (unpublished); Department of Higher Education and Workforce Development, Grants and Scholarship (https://dhewd.mo.gov/ppc/grants/).

Access Missouri Grants Awarded to Nearly 9,000 Students Enrolled in the St. Louis Region in AY 2020-2021

Access Missouri Financial Assistance Program Total Disbursement Amount and Number of Awards, AY 2020-2021



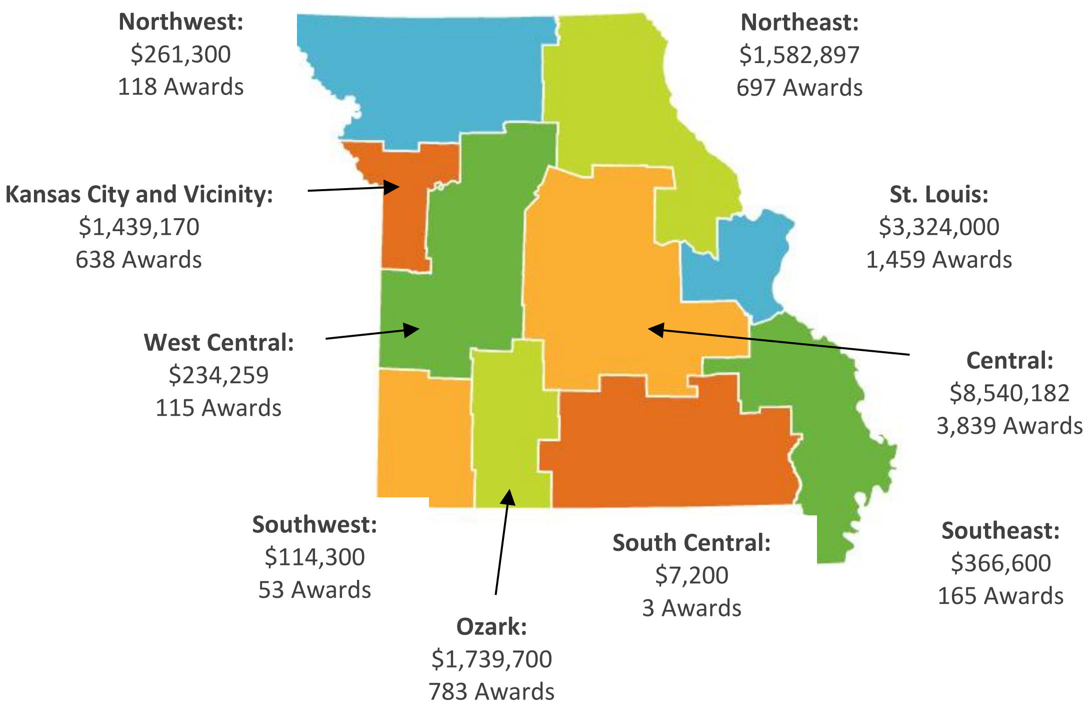
The number of students awarded the Access Missouri Financial Assistance Program grant varied by region; 805 students enrolled in higher education institutions in the South Central region received a little over $500,000 while more than 8,000 students enrolled in higher education institutions in each of the St. Louis and Central regions received over $12 million. The data reflect awards to students attending institutions located in each region, which may or may not reflect the region in which the student lives.

The Access Missouri Financial Assistance Program the largest state grant program in Missouri, disbursing over $60 million to more than 41,000 students in AY 2020-2021. The Access Missouri program is a need-based grant available to full-time undergraduate students who have an expected family contribution of $12,000 or less. Grant recipients must maintain a GPA of 2.5 or higher in order to be eligible for a renewal grant.

Sources: Aid in Missouri: Missouri Department of Higher Education and Workforce Development, Missouri State Grants 2012-2021, special request (unpublished); Department of Higher Education and Workforce Development, Grants and Scholarship (https://dhewd.mo.gov/ppc/grants/).

Institutions in One Region in Missouri, the Central Region, Accounted for Nearly Half of the Bright Flight Grants in AY 2020-2021

Bright Flight Program
Total Disbursement Amount and Number of Awards,
AY 2020-2021

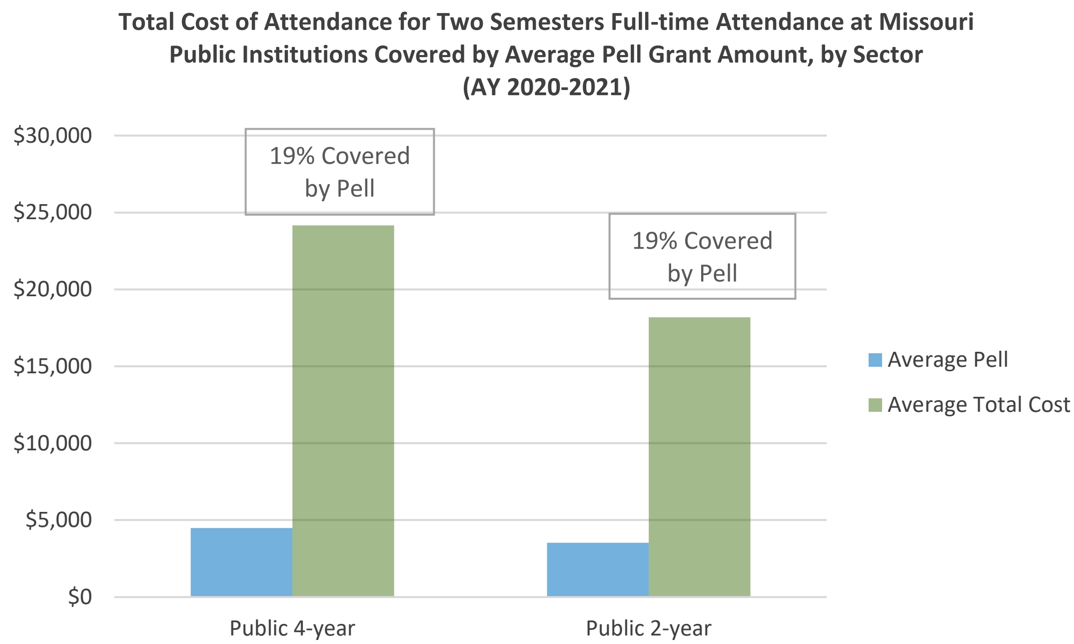


Almost half of the Bright Flight Program grants awarded in Missouri in Academic Year (AY) 2020-2021 were given to students attending institutions in the Central region, awarding more than 3,800 students with $8.5 million. Awards given to students attending institutions in the Central region and St. Louis region combined accounted for two-thirds of the Bright Flight awards in the state. The data reflect awards to students attending institutions located in each region, which may or may not reflect the region in which the student lives.

The Bright Flight Program is a merit-based scholarship program for Missouri high school seniors with high ACT or SAT scores. The scholarship requires these high-performing students to enroll in a participating Missouri institution in the fall following high school graduation. The Bright Flight Program awarded more than $17 million to almost 8,000 students in AY 2020-2021.

Sources: Aid in Missouri: Missouri Department of Higher Education and Workforce Development, Missouri State Grants 2012-2021, special request (unpublished); Department of Higher Education and Workforce Development, Grants and Scholarship (https://dhewd.mo.gov/ppc/grants/).

The Federal Pell Grant Covers Less Than One-fifth of Average Public Institution Costs

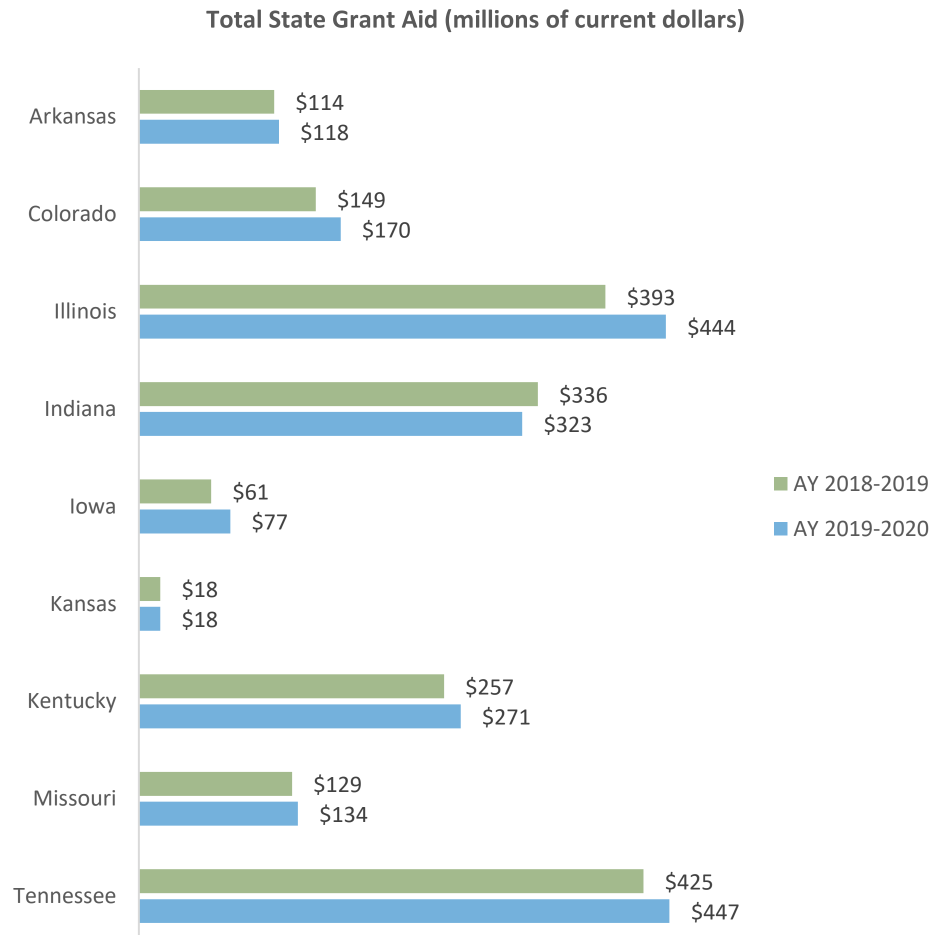


The buying power of the federal Pell Grant, the largest grant program in the U.S. and in Missouri, has declined over the last three decades. Designed to be the foundation of need-based grant aid, only undergraduates with significant financial need receive the Pell Grant. However, in Award Year (AY) 2020–2021, the average Pell Grant in Missouri covered only 19 percent of the average cost of attendance (COA) – i.e. tuition, fees, room, board, and other basic expenses -- for eligible undergraduates at public four-year universities and public two-year colleges. While the average Pell Grant tends to increase from one year to the next, these bumps generally fail to keep pace with the rising cost of college.

The maximum Pell Grant for AY 2018-2019 was $6,095 and increased to $6,195 for AY 2019-2020. This $100 increase is prescribed by the Student Aid and Fiscal Responsibility Act (SAFRA), which provides for automatic changes to the maximum Pell Grant based on changes in the Consumer Price Index (CPI), a common measure of inflation. Pell Grant awards are determined according to a schedule that takes both COA and expected family contribution (EFC) into account. Pell Grant awards increase for higher COAs and lower EFCs and decrease for lower COAs and higher EFCs. There is also a set maximum EFC beyond which a student cannot qualify for a Pell Grant regardless of the COA; for AY 2020-2021, the maximum eligible EFC is $5,711.

Sources: Cost of attendance: U.S. Department of Education, National Center for Education Statistics, IPEDS Data Center (Author's calculation: Total cost of full-time undergraduate attendance weighted by FTE in-state undergraduate enrollment) (http://nces.ed.gov/ipeds/datacenter/); Pell: U.S. Department of Education, Federal Student Aid Data Center, Programmatic Volume Reports (http://studentaid.ed.gov/about/data-center/student/title-iv); Maximum Pell: U.S. Department of Education, Federal Student Aid (https://studentaid.ed.gov/sa/types/grants-scholarships/pell).

Illinois and Tennessee Have Highest Total State Grant Aid Among Missouri's Peer States

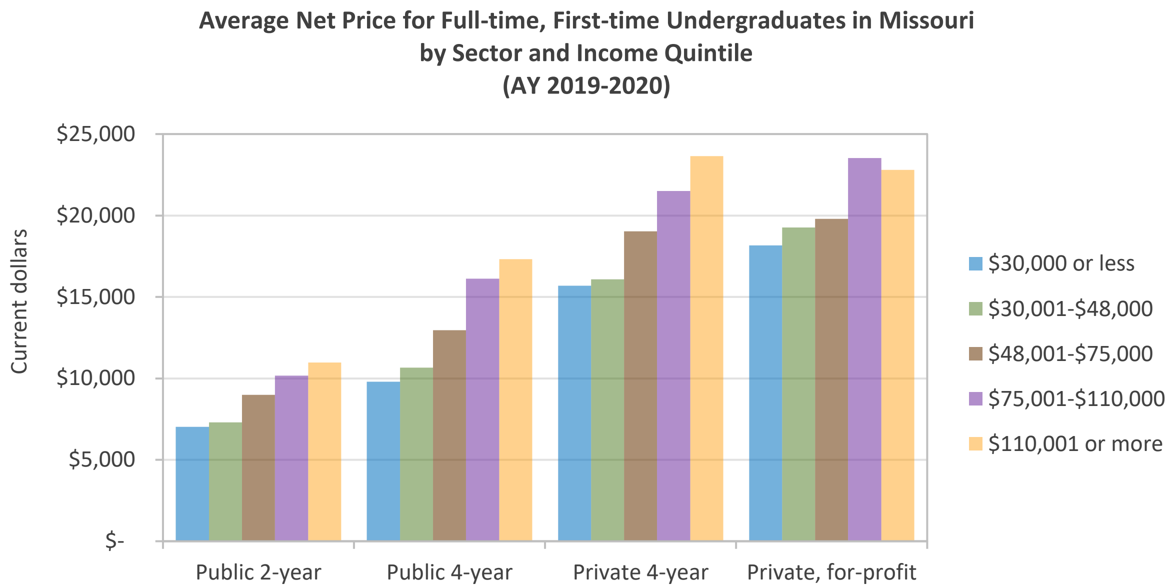


In AY 2019–2020, Missouri spent about $134 million on grant aid for postsecondary students. This was less than what was spent by Colorado, Illinois, Indiana, Kentucky, and Tennessee, and more than what was spent by Arkansas, Iowa, and Kansas. With Illinois being one of the most populous states in the nation and Tennessee providing generous awards to HOPE Scholarship grantees, it is not surprising to see those two states topping the list of total grant aid among these peer states.

State grant aid may be based on financial need, academic merit, a combination of need and merit, or other factors, like veteran status. In Missouri, the largest state grant program, the Access Missouri Financial Assistance Program, is need-based and has a merit component for the grant renewal. The second and third largest grant programs in Missouri, the A+ Scholarship Program and the Bright Flight Program, are both merit-based.

Source: National Association of State Student Grant and Aid Programs. 51st *Annual Survey Report on State-Sponsored Student Financial Aid.* 2020 (https://www.nassgapsurvey.com/); National Association of State Student Grant and Aid Programs. 50th *Annual Survey Report on State-Sponsored Student Financial Aid.* 2019 (https://www.nassgapsurvey.com/); Department of Higher Education and Workforce Development, Grants and Scholarship (https://dhewd.mo.gov/ppc/grants/).

Net Price of Attendance for Lowest-income Public Four-year Undergraduates in Missouri Is Nearly $10,000



The net price of attendance for a student at an institution of higher education is defined as the student's cost of attendance* minus the total grants and scholarships he or she receives from any sources: in essence, the amount that a student (and/or family) must pay either out of pocket or with student loans. In Award Year (AY) 2019–2020, the average net price of attendance for students with the lowest incomes** was $7,023 in the public two-year sector, $9,797 in the public four-year sector, $15,694 in the private four-year sector, and $18,171 in the for-profit sector. In 2021, a typical single adult in Missouri needed an annual salary of $20,658 in order to meet their basic needs at a minimally adequate level without using public or private assistance. Given the net price of college for the lowest income students, those making $30,000 per year would not be able to afford to attend the four-year sectors or the for-profit sector and still be self-sufficient. And students making below $30,000 per year would likely not be able to afford any sector.

Net price generally rises with income across all four sectors, which likely reflects higher-income students' tendencies to attend higher-cost institutions and pay a larger percentage of their costs out of pocket. Both of these tendencies are likely more notable in the private four-year sector due to the wider variety of prices in that sector.

* Tuition and fees, books and supplies, food and housing, transportation, and other expenses, for a full-time student for nine months. For public institutions, the net price reflects costs for in-state/in-district students.

** For dependent students, income represents the student's family income; for independent students, it represents personal income.

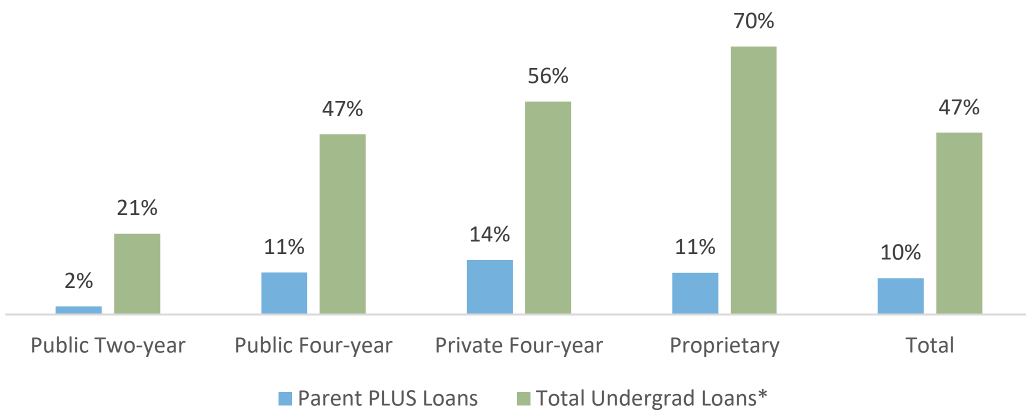
Sources: U.S. Department of Education, National Center for Education Statistics, "Integrated Postsecondary Education Data System (IPEDS) 2020" (http://nces.ed.gov/ipeds/datacenter/); Self-Sufficiency Measure: Center for Women's Welfare, University of Washington School of Social Work, Self Sufficiency Standard (https://selfsufficiencystandard.org/).

SECTION 6

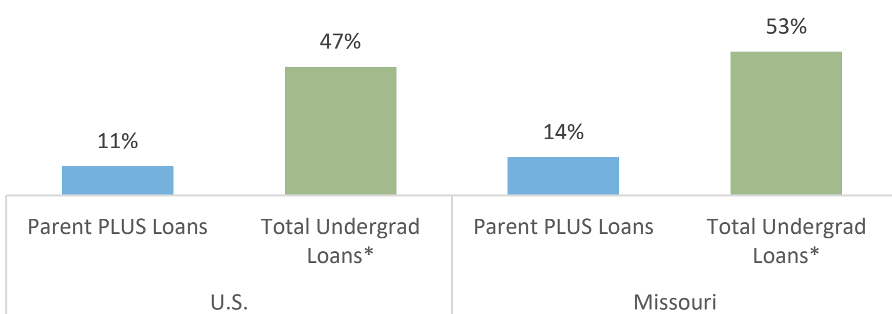
Loans

More Than Half of Missouri Four-year University Undergraduates Borrowed for Their Education

Percentage of 2017-2018 Graduates Who Borrowed for Undergraduate Education, by Loan Type and Sector for the U.S.



Percentage of 2017-2018 Graduates Who Borrowed for Undergraduate Education, from Public Four-Year Universities in Missouri and the U.S.



Almost half of undergraduates nationwide who graduated in academic year (AY) 2017-2018 had borrowed student loans, and 10 percent had parents who had borrowed parent PLUS loans. The public two-year sector had the lowest borrowing rates. Nearly 50 percent of AY 2017-18 graduates in the public four-year sector had borrowed for their education and more than half of graduates in the private four-year and proprietary sectors had borrowed.

In the public four-year sector (the only sector with representative data in Missouri) more than half of Missouri undergraduates had borrowed for their education, a little higher than the national rate. The rate of parent PLUS borrowing was also a little higher in Missouri compared to the nation.

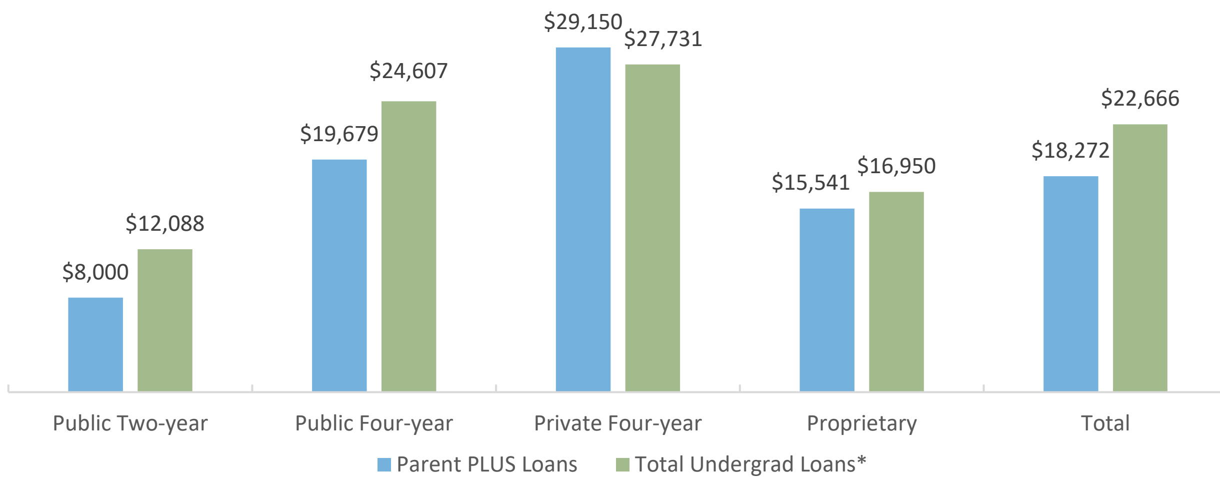
*Includes undergraduate Stafford loans, Perkins loans, and undergraduate portions of consolidated loans. Excludes Parent PLUS loans.

Note: See section 11, page 87, for a summary of a study about Parent PLUS loan repayment.

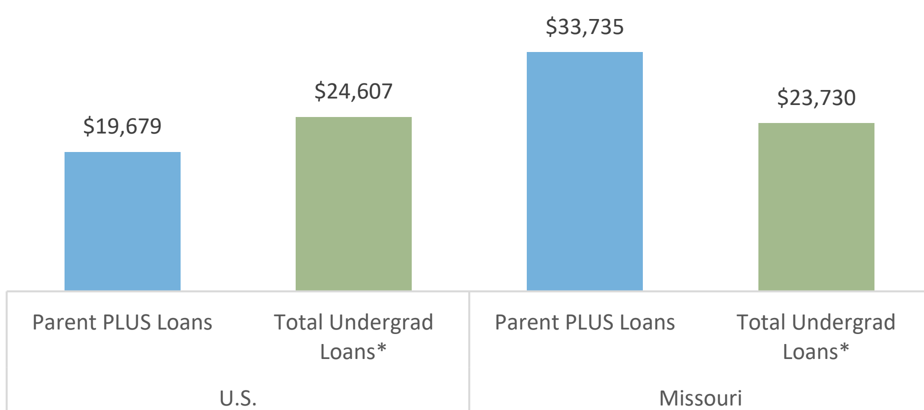
Source: U.S. Department of Education, National Postsecondary Student Aid Study – Administrative Collection (NPSAS-AC) 2018 (http://www.nces.ed.gov/das).

Missouri Four-year University Undergraduates Borrowed Almost $24,000 For Their Education

Cumulative Loans Borrowed by 2017-2018 Graduates, by Loan Type and Sector for the U.S.



Cumulative Median Loans Borrowed by 2017-2018 Graduates from Public Four-Year Universities, for Missouri and the U.S.



Overall, undergraduates nationwide who graduated in academic year (AY) 2017-2018 borrowed a median of almost $23,000 in student loans, and their families borrowed a median of more than $18,000 in Parent PLUS loans. The public two-year sector had the lowest median cumulative amounts of both Parent PLUS loans and student loans. The private four-year was the only sector where the median cumulative amount of Parent PLUS loans was higher than the median cumulative amount of student loans.

In the public four-year sector (the only sector with representative data in Missouri) the median cumulative amount of student loans borrowed in Missouri was a little lower than the national median, but much higher in Missouri for parent PLUS loans.

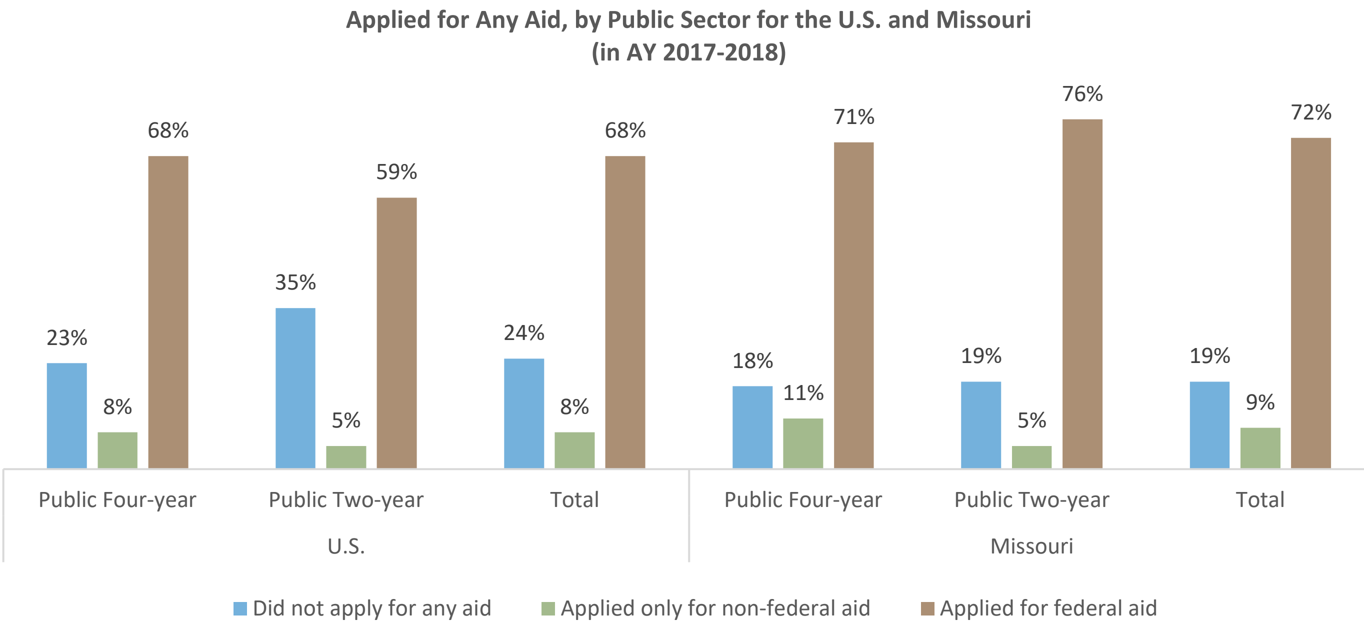
*Includes undergraduate Stafford loans, Perkins loans, and undergraduate portions of consolidated loans. Excludes Parent PLUS loans.

Source: U.S. Department of Education, National Postsecondary Student Aid Study – Administrative Collection (NPSAS-AC) 2018 (http://www.nces.ed.gov/das).

SECTION 7

Work and Paying for College

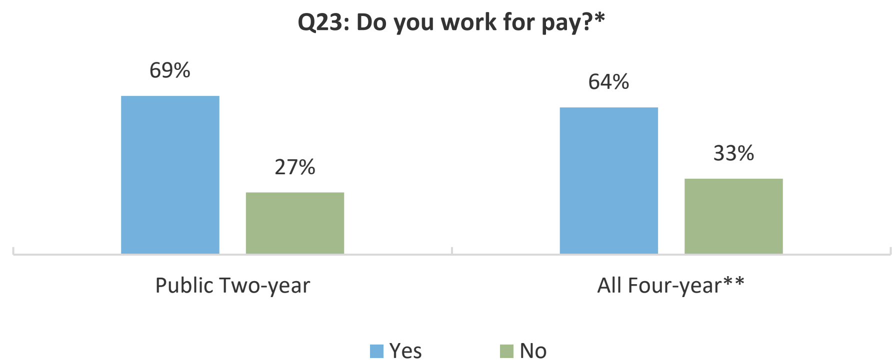
A Higher Percentage of Missouri Undergraduates Applied for Federal Aid Compared to the National Rate

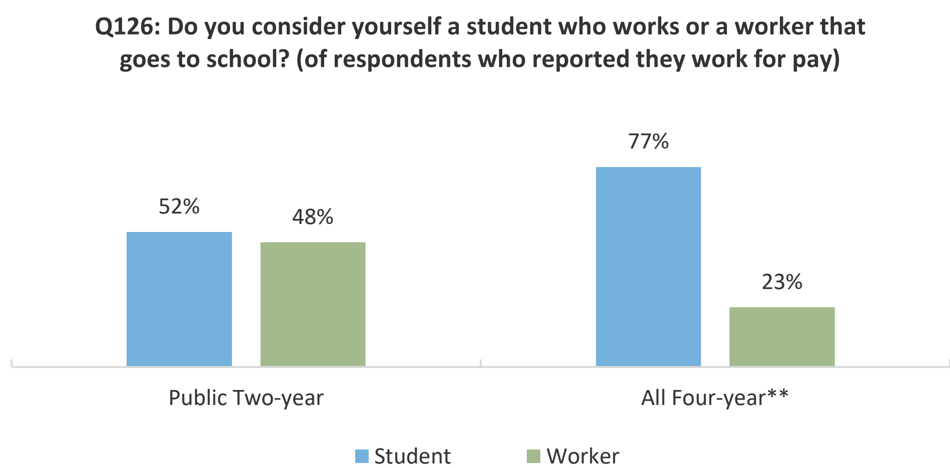


Eighty-one percent of undergraduates in Missouri had applied for federal aid in academic year (AY) 2017-2018, compared to 76 percent nationwide. Most of the students who applied for aid had applied for federal aid, with a small minority only applying for non-federal aid. In Missouri, the public four-year and public two-year sectors had about the same percentage of students applying for some form of aid. Nationally, the public two-year sector had a higher percentage of students not applying for any aid compared to the public four-year sector.

Source: U.S. Department of Education, National Postsecondary Student Aid Study – Administrative Collection (NPSAS-AC) 2018 (http://www.nces.ed.gov/das).

More Than Two-thirds of Public Two-year Students Worked While Enrolled During the Fall 2021 Semester





Over two-thirds of respondents attending public two-year and 64 percent of respondents attending public and private, non-profit four-year institutions reported in Trellis' national Student Financial Wellness Survey that they worked for pay during the fall 2021 semester. Of the respondents who did work for pay, those attending four-year institutions were more likely to consider themselves to be students who work compared to students who were attending public two-year institutions. Seventy-seven percent of four-year students considered themselves to be students who work while nearly half of public two-year students considered themselves to be workers who go to school.

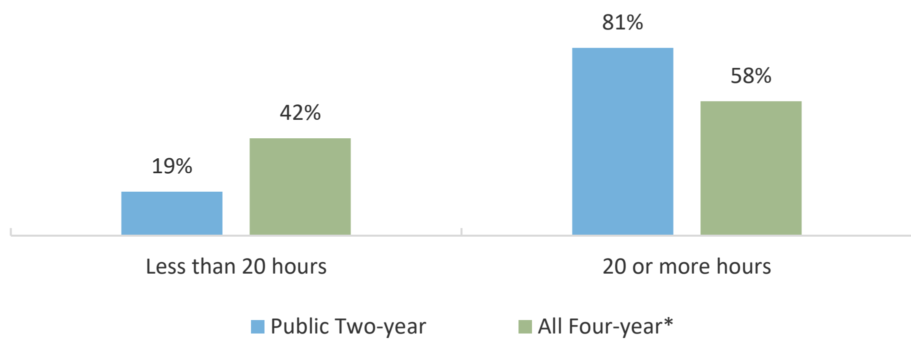
Note: Trellis' Student Financial Wellness Survey is open to any college nationwide that wants to participate. In the fall 2021 implementation, 104 colleges from 25 states participated – 71 community colleges and 33 four-year institutions. There were 44,254 respondents attending public two-year institutions and 19,497 respondents attending four-year institutions. The results are not nationally representative.

*Responses indicating "I Don't Know" are not shown
**Includes Public and Private, non-profit institutions

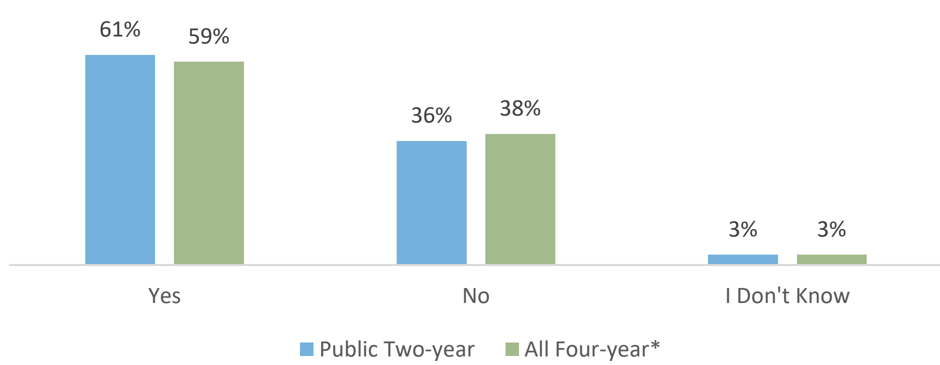
Source: Fletcher, C., Cornet, A., & Webster, J. Student Financial Wellness Survey: Fall 2021 (unpublished tables).

Community College Students Are More Likely to Work 20 or More Hours per Week

Q127: During the school year, about how many hours do you spend in a typical 7-day week working for pay?



Q29: Do you use your current income to pay for college?



While most students work while attending college, the number of hours they work per week varies greatly by school sector. Based on the responses to Trellis' fall 2021 national Student Financial Wellness Survey, more than three-quarters (81 percent) of respondents who were attending public two-year institutions in the fall 2021 semester worked 20 or more hours per week while enrolled. Working fewer than 20 hours per week was more common among students attending four-year institutions. A majority of students in both sectors reported that they used their current income to pay for college.

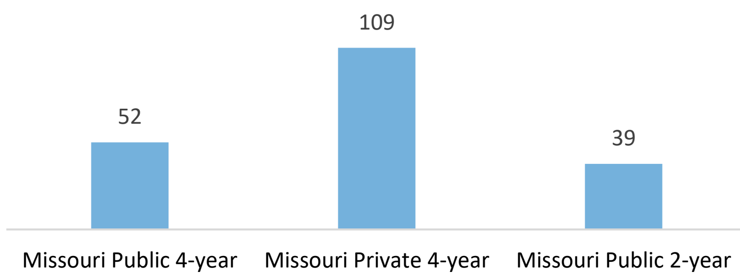
Note: Trellis' Student Financial Wellness Survey is open to any college nationwide that wants to participate. In the fall 2021 implementation, 104 colleges from 25 states participated – 71 community colleges and 33 four-year institutions. There were 44,254 respondents attending public two-year institutions and 19,497 respondents attending four-year institutions. The results are not nationally representative.

* Includes Public and Private, non-profit institutions

Source: Fletcher, C., Cornet, A., & Webster, J. Student Financial Wellness Survey: Fall 2021 (unpublished tables).

Paying for a Public Four-year Degree Through Work Alone Would Require 52 Hours per Week at Minimum Wage

Hours of Minimum Wage Work per Week Needed to Pay for an Average Undergraduate Education in Missouri, by Sector (2020)



In earlier decades, many students financed an undergraduate education by taking a full course load while working enough hours to cover living and educational expenses, perhaps with the aid of savings from a full-time summer job. From 1966 to 1981, a time in which the minimum wage increased fairly regularly, an industrious undergraduate could have paid for a year of education at a public university — including tuition, food, and housing — by working about 24 hours per week at a minimum wage job.

In the early 1980s, as the cost of education began to climb and the minimum wage increased less frequently, the number of work hours needed to pay for an education began to rise. The hours needed to pay for an undergraduate education continued to inch upward in the 1990s, then rose again sharply at the turn of the century.

In 2020-2021, an in-state, residential undergraduate would have had to work 52* hours every week of the year to pay for two semesters at a Missouri public university, 109** hours for two semesters at a Missouri private university, and 39*** hours for two semesters at a Missouri community college.

*The average weighted student budget for an in-state, residential student at a Missouri public four-year university in AY 2020–2021 was $24,157. In 2020, the minimum wage was $9.45 per hour, with 6.2 percent taken out for Social Security. At a net of $8.86 per hour, a full-time Missouri student with no other financial aid or assets would have to work 2,725 hours per year, or 52 hours per week, to put themselves through school.

**The average weighted student budget for an in-state, residential student at a Missouri private four-year university in AY 2020-2021 was $50,424. In 2020, the minimum wage was $9.45 per hour, with 6.2 percent taken out for Social Security. At a net of $8.86 per hour, a full-time Missouri student with no other financial aid or assets would have to work 5,689 hours per year, or 109 hours per week, to put themselves through school.

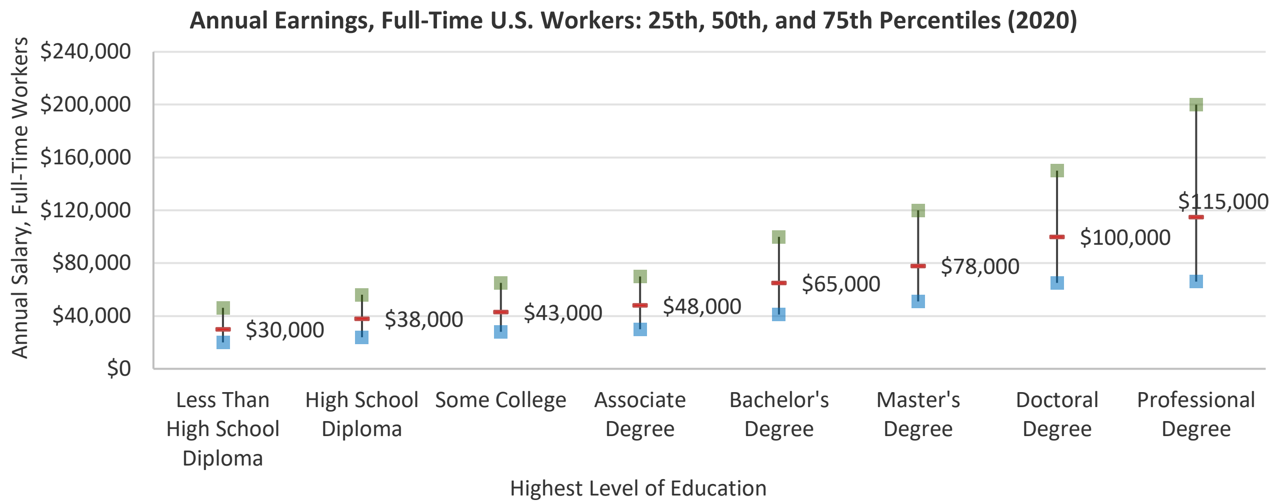
***The average weighted student budget for an in-state, residential student at a Missouri public community college in AY 2020–2021 was $18,186. In 2020, the minimum wage was $9.45 per hour, with 6.2 percent taken out for Social Security. At a net of $8.86 per hour, a full-time Missouri student with no other financial aid or assets would have to work 2,052 hours per year, or 39 hours per week, to put themselves through school.

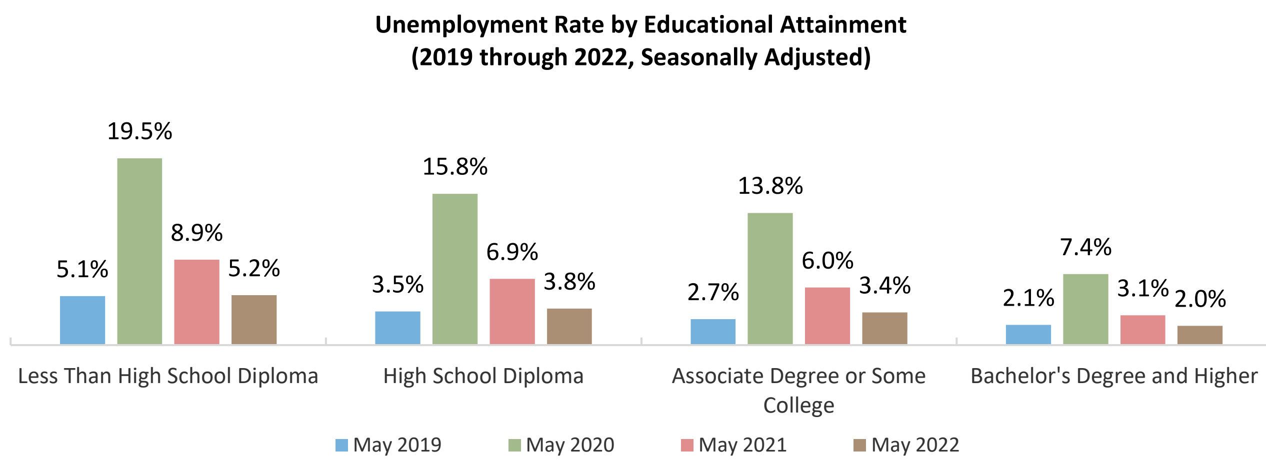
Sources: U.S. Minimum wage.: U.S. Department of Labor. Employment Standards Administration, "History of Federal Minimum Wage Rates" (http://www.dol.gov/whd/minwage/chart.htm); U.S. Data: Postsecondary Education Opportunity. "'I worked my way through college. You should too," 2008 update to *Research Newsletter,* Issue Number 125 (November 2002) (www.postsecondary.org); Missouri Minimum Wage: Missouri Department of Labor and Industrial Relations, Minimum Wage (https://labor.mo.gov/dls/minimum-wage); Missouri Data: U.S. Department of Education, National Center for Education Statistics, IPEDS Data (http://www.nces.ed.gov/ipeds/).

SECTION 8

Missouri College Attainment

College Graduates Earn Far More Than High School Graduates and Experience Less Unemployment



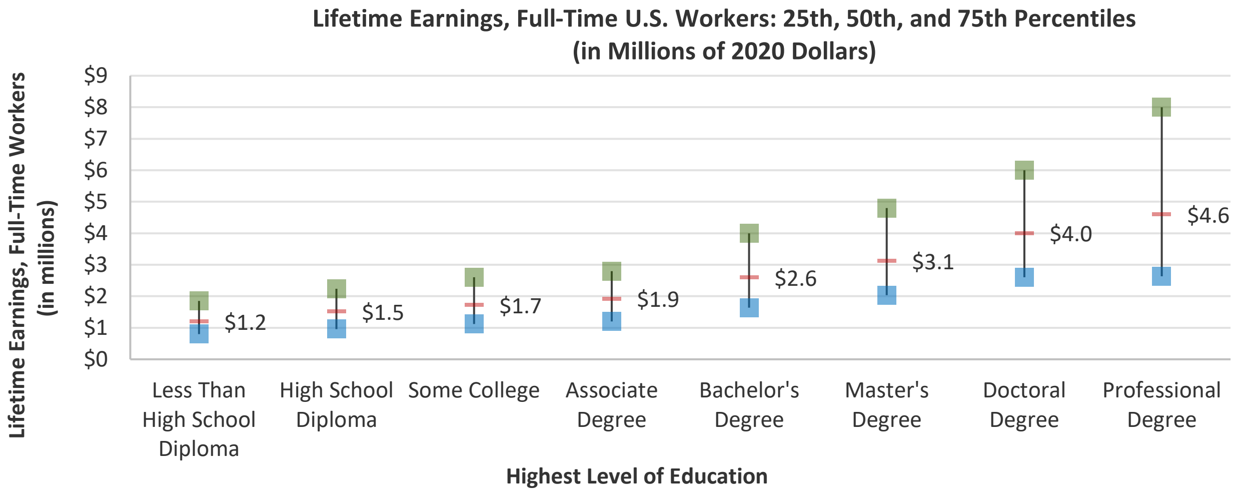


The U.S. Census Bureau reports that higher levels of education are typically associated with higher median earnings; however, annual incomes in the U.S. also vary widely within the same level of education. Consequently, some workers with associate degrees earn more than those with bachelor's degrees, while other bachelor's-level graduates make more than some master's degree holders. While educational level is not the sole predictor of one's income, the income range also expands as level of education increases, suggesting that workers with higher levels of education may encounter more opportunities for financial growth.

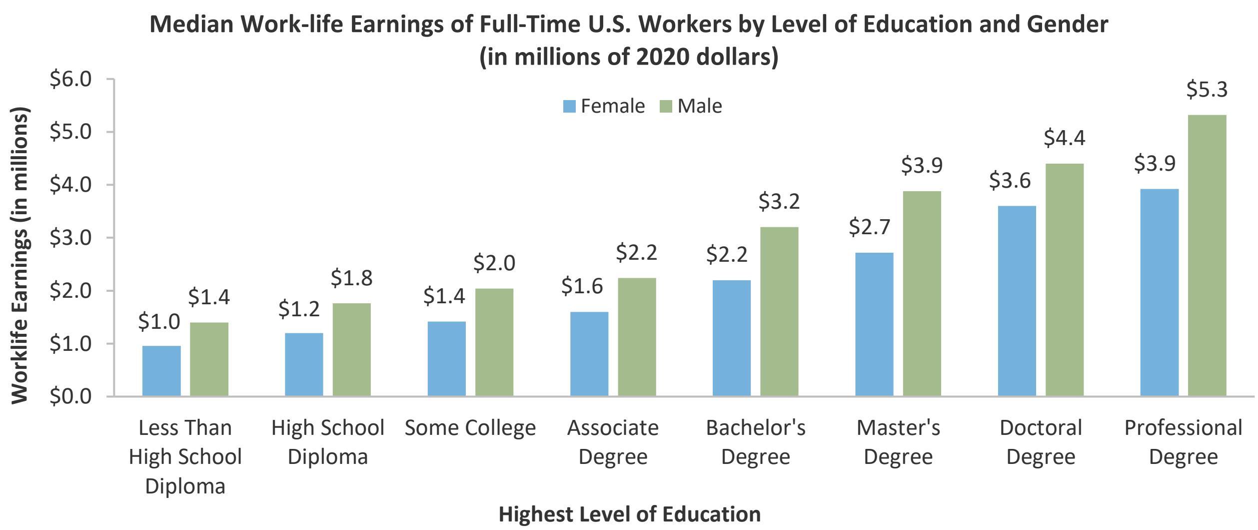
More evidence for the economic value of education comes from the U.S. Bureau of Labor Statistics. For May 2022, the unemployment rate of workers age 25 and older who had not completed high school stood at 5.2 percent. The unemployment rate for high school graduates was 3.8 percent, while the unemployment rate for those with a bachelor's degree and higher was 2.0 percent. These rates are lower than the prior two years as the U.S. economy continues to recover from the peak of the COVID-19 pandemic, but the pattern of lower unemployment rates for those with higher education still holds true.

Sources: Unemployment: Bureau of Labor Statistics. "Employment Status of the Civilian Population 25 Years and Over by Educational Attainment," May 2022 (http://www.bls.gov/news.release/empsit.t04.htm); Historical Unemployment Rates: Bureau of Labor Statistics. Data Retrieval: Labor Force Statistics (CPS) (https://www.bls.gov/webapps/legacy/cpsatab4.htm); Earnings: U.S. Census Bureau, American Community Survey 2020 (http://www.census.gov/programs-surveys/acs/data/pums.html).

Better-educated Workers Have Higher Lifetime Earnings



The difference in the salary earned by higher- and lower-credentialed workers compounds over a lifetime. The estimated earnings during the work-life (approximately 40 years) of a worker who did not complete high school is about $1 million. Completing high school increases median lifetime earnings by about $300,000, and completing a bachelor's degree raises median lifetime earnings to $2.6 million. Post-graduate education pays off even more; workers with a professional degree, such as doctors and lawyers, can expect over the course of their work-lives to earn an additional $2 million over what workers with a bachelor's degree will earn. Higher levels of education typically offer increased lifetime earnings, but they also allow for more earning *variability*, as shown by the wider income ranges for the higher levels of education, suggesting the importance of quality career guidance.

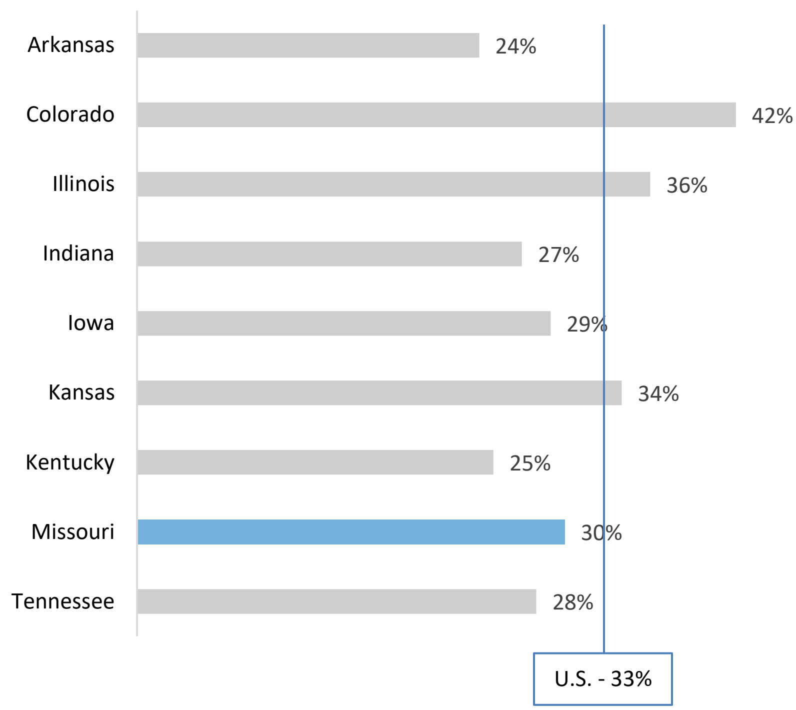


Median lifetime earnings differences based on education show earnings gaps by gender. For example, women typically must earn at least a bachelor's degree to make as much as men with an associate degree.

Earnings: U.S. Census Bureau, American Community Survey 2020 (http://www.census.gov/programs-surveys/acs/data/pums.html).

Thirty Percent of Missouri Adults Age 25 and Older Have a Bachelor's Degree

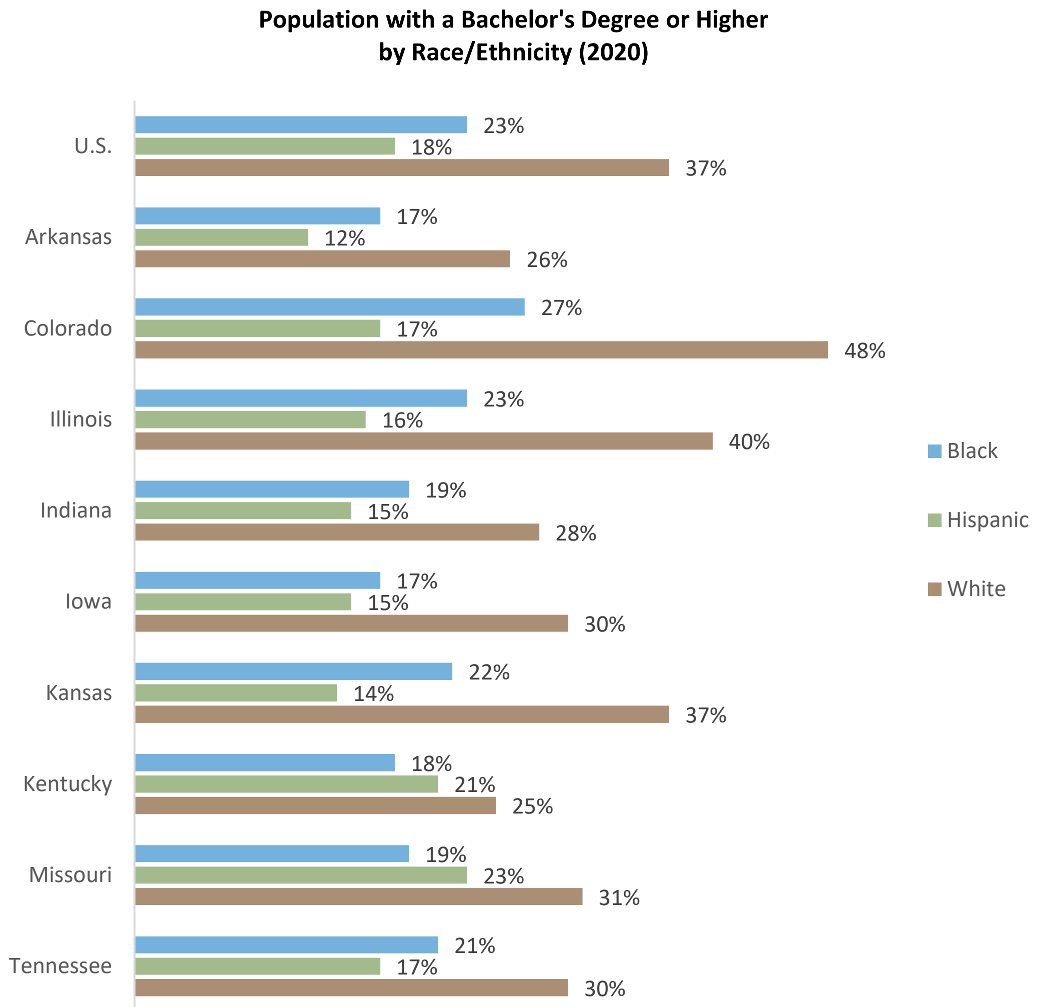
Population Age 25 and Older with a Bachelor's Degree or Higher (2020)



Missouri is slightly lower than the nation in the percentage of people who have completed a bachelor's degree or higher. U.S. Census Bureau data show that in 2020 about 30 percent of Missouri adults age 25 and older had obtained a bachelor's degree or higher, compared to 33 percent of adults nationwide. Among Missouri's eight peer states, Missouri has the fourth highest percentage of the overall population age 25 and older with a bachelor's degree or higher, following Colorado, Illinois, and Kansas.

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates 2020. Table Creator (https://data.census.gov/).

In Missouri, Black Population is Least Likely to Have a Bachelor's Degree



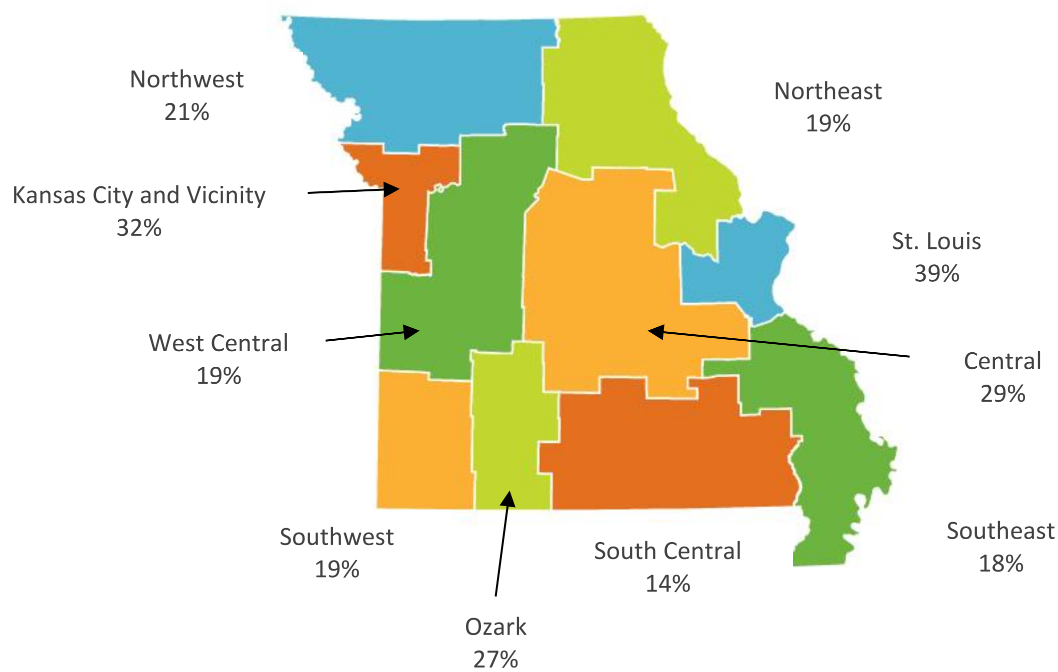
By race/ethnicity, U.S. Census Bureau data show that:

- In Missouri, the Black population is the least likely to have a bachelor's degree. Only 19 percent of the Black population age 25 and older have a bachelor's degree or higher, compared with 31 percent of the White population.
- The percentage of the Hispanic population in Missouri who have a bachelor's degree is eight percentage points lower than that of the White population.
- Among Missouri's peer states, Missouri is fourth in the percentage of the White population with a degree, tied for fifth for the Black population, and first for the Hispanic population.

Source: U.S. Census Bureau, Current Population Survey 2020. Current Population Survey (CPS) Table Creator For the Annual Social and Economic Supplement (https://www.census.gov/cps/data/cpstablecreator.html).

Rural Missourians Are Less Likely to Have a Bachelor's Degree

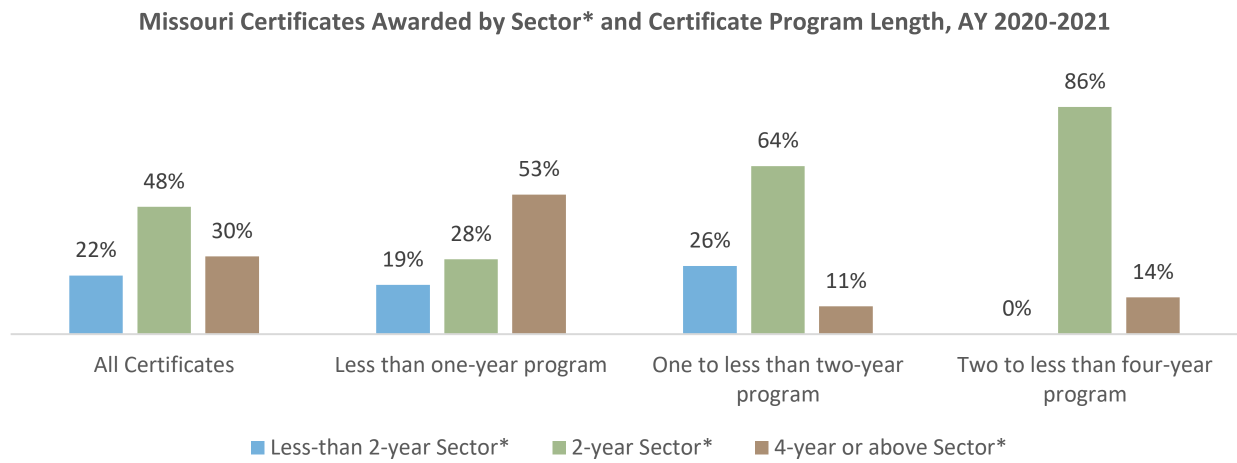
Population Age 25 and Older with a Bachelor's Degree or Higher (2020)

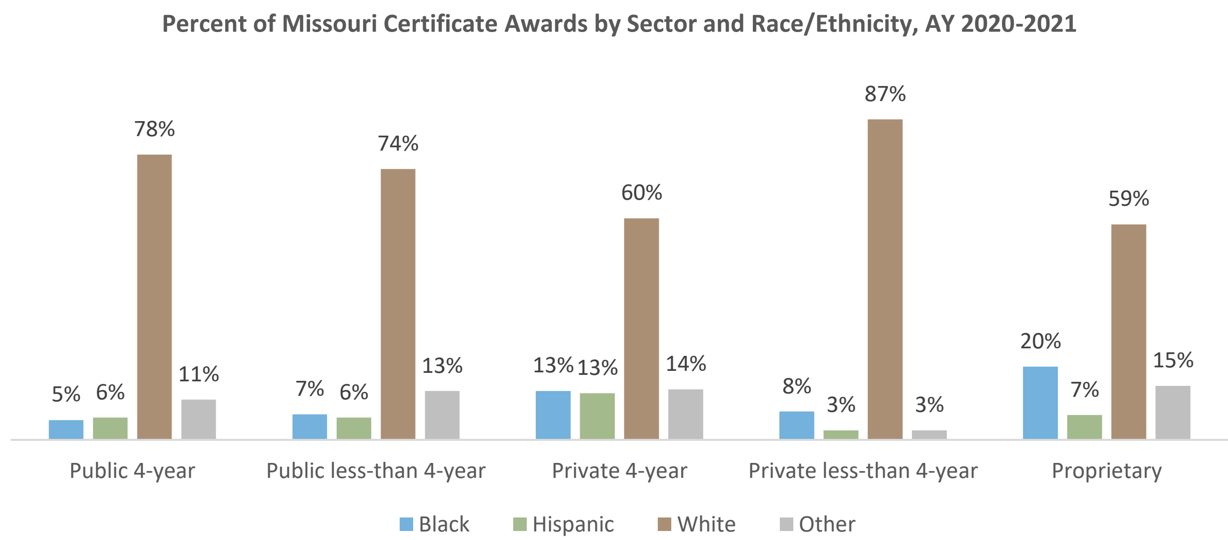


Bachelor's degree attainment in the different regions of Missouri vary dramatically. In the St. Louis region, 39 percent of people age 25 and older have a bachelor's degree or higher. At least a quarter of the adult populations in the Kansas City and Vicinity, Central, and Ozark regions also have a bachelor's degree or higher. However, educational attainment levels drop off in other areas of the state. The Northwest, Northeast, West Central, Southwest, and Southeast regions record lower levels of educational attainment. In the South Central region, the percentage of college graduates with at least a bachelor's degree is just over a third of that in the St. Louis region.

Source: U.S. Census Bureau, American Communities Survey, 2020 Five-Year Estimates, Washington, D.C. (http://www.census.gov/acs/www/).

Most Certificates Awarded to White Students; Greatest Diversity at Proprietary Institutions





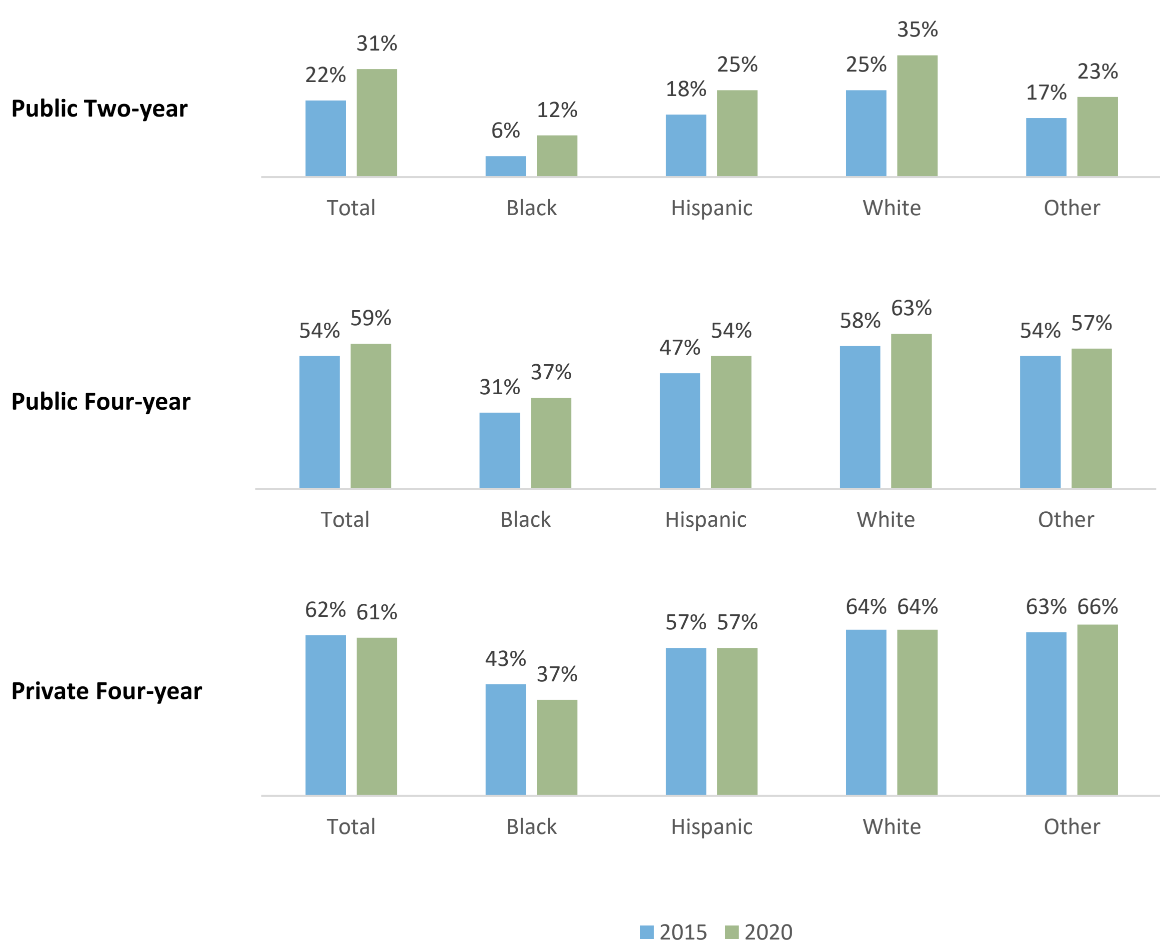
Nearly half of the certificates awarded in Missouri in Academic Year (AY) 2020-2021 were earned by students attending a public, private non-profit, or proprietary (for-profit) two-year institution. The majority of the short-term certificates (less-than one-year programs) were awarded at four-year institutions, while the majority of the longer-term certificates were awarded at two-year institutions. The for-profit proprietary sector had the most diverse student body among certificate recipients, including 20 percent of certificates awarded in Academic Year 2020-2021 going to Black students.

*Includes public, private non-profit, and proprietary institutions.

Sources: Graduation Rates: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS) (http://nces.ed.gov/ipeds/).

Completion Rates in Missouri Are Stratified by Race/Ethnicity

Completed Certificate or Degree* Within 150 Percent Time From a Missouri Institution, by Sector, Race/Ethnicity, and Year



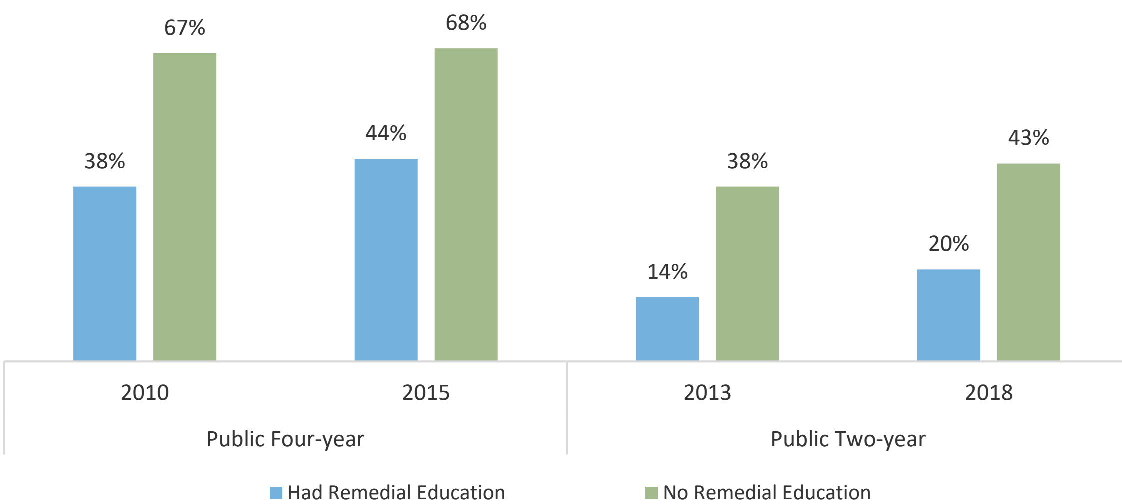
Completion rates* in Missouri increased between 2015 and 2020 in the public sectors and stayed almost level in the private sector, but remain stratified by race and ethnicity in all sectors. About 31 percent of certificate- and degree-seeking undergraduates had completed in 2020 from a Missouri public two-year institution within six years, an increase from 22 percent in 2015. The completion rates varied by race/ethnicity, with 12 percent of Black students, 25 percent of Hispanic students, and 35 percent of White students completing in 2020. The public four-year sector saw increases in the completion rate overall and among all race/ethnicity groups between 2015 and 2020. In the private four-year sector, the completion rates remained fairly stable between 2015 and 2020 overall and for all race/ethnicity groups except for Black students. There was a decline in the completion rate of Black students in the private four-year sector from 43 percent in 2015 to 37 percent in 2020.

* Completion rates of first-time, full-time undergraduate students. Includes certificate and degree completers.

Sources: Graduation Rates: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS) (http://nces.ed.gov/ipeds/).

Missouri Students Who Took Remedial Education Courses Were Less Likely to Graduate

Percentage of Missouri Students* Who Graduated Within 150 Percent Time, by Sector, Year Entered College, and Remedial Education Status**



Missouri students* at both public four-year and public two-year institutions who took one or more remedial education courses were less likely to have graduated compared to their peers who did not take remedial education courses. In both sectors, graduation rates increased over the five-year period for those who had remedial education and for those who did not have remedial education. The graduation rate increased more for those who had remedial education in both sectors, closing the achievement gap somewhat. This was particularly true in the public four-year sector, where the graduation rate for those who had remedial education increased by six percentage points compared to the rate increasing by just one point for those with no remedial education.

In recent years, there have been efforts at state and institutional levels to reform remedial education to make it more effective, efficient, and improve the pathways to graduation. Some of the efforts that have shown promise include collaboration with high schools to better assess students before they enter college, compressing the coursework so that it does not take an entire semester to complete the course, using co-requisite pathways that integrate additional support into "mainstream" classes for the students who need it, and implementing comprehensive student support programs.

* Each of these cohorts represents recent high school graduates, not all first-time students.

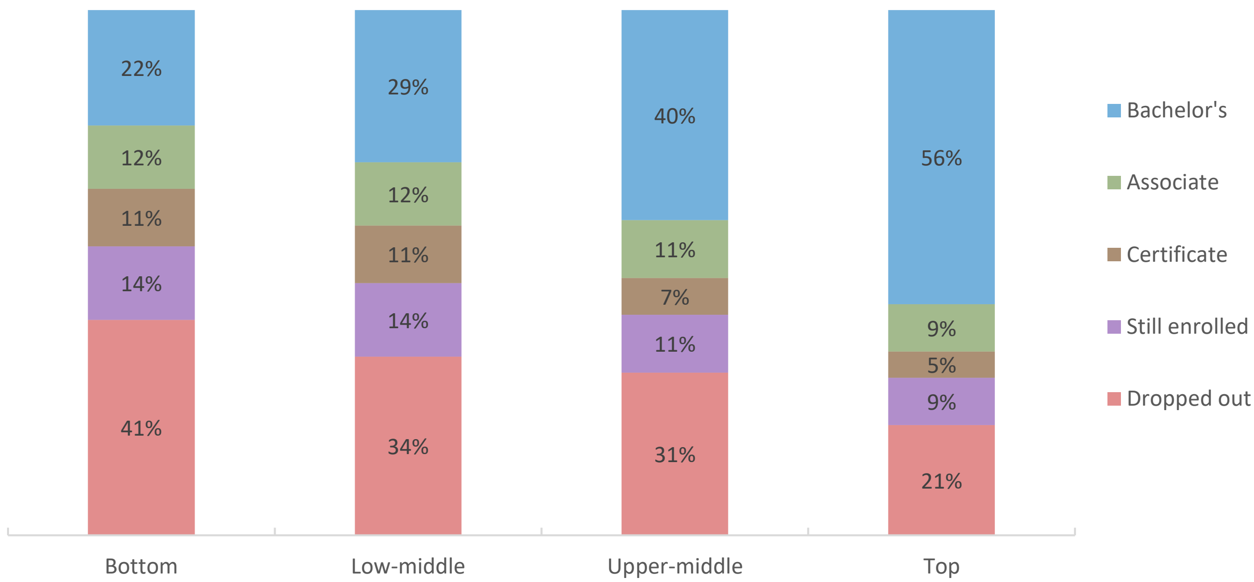
** Graduation within 150 percent time is three years from initial enrollment for the two-year sector and six years from initial enrollment for the four-year sector.

Note: See page 21 in Section 3 to see college enrollment data for students who had remedial education.

Source: Aid in Missouri: Missouri Department of Higher Education and Workforce Development, Remediation and Graduation in Missouri, special request (unpublished); Developmental Education Reforms: U.S. Department of Education, January 2017, "Developmental Education Challenges and Strategies for Reform" (https://www2.ed.gov/about/offices/list/opepd/education-strategies.pdf).

More Than 40 Percent of Low-income Students Nationwide Dropped Out Within Six Years of Starting College

Six-year Attainment Status of 2011-12 First-year Students by Income Quartile



Income plays an outsized role in student success. The federal government tracked first-year students who began in academic year (AY) 2011-12. These students were segmented into income quartiles and compared by their academic outcomes. Over half of the top quartile earned a bachelor's degree within six years, while only 22 percent of the lowest quartile had made such an achievement. Furthermore, students in the bottom income quartile were almost twice as likely to leave school without a degree as those in the top quartile.

Source: U.S. Department of Education, National Center for Education Statistics, 2012/2017 Beginning Postsecondary Students Longitudinal Survey (BPS: 12/17) (https://nces.ed.gov/surveys/bps/).

Missouri Ranks Below the U.S. and International Averages for Degree Attainment

Percentage of Adults in 2021 (Ages 25-64) With a Bachelor's Degree or Higher

U.S. States	%	OECD Countries
	↑	
	48	
Massachusetts		
	46	Luxembourg • Switzerland
New Jersey	44	Lithuania
		Ireland
Colorado • Maryland • Connecticut	42	Belgium
Vermont • Virginia		Netherlands
New York	40	
Minnesota• New Hampshire		**United States**
Illinois	38	Australia • Finland • Iceland • Israel
Rhode Island • Washington		Estonia
	36	Korea • New Zealand
Kansas • Utah • California • Oregon • Nebraska • Pennsylvania		Denmark • Sweden
Montana • Hawaii • North Carolina • Georgia • Delaware	34	Canada • Latvia • Norway
Maine • North Dakota • Wisconsin		**OECD Average** • Poland
Michigan • Texas • **Missouri**	32	Greece
South Dakota • Iowa • Ohio • Florida		Germany • Japan
Tennessee • Arizona • Alaska • South Carolina	30	
Idaho • Indiana		Slovenia
Wyoming	28	Portugal • Spain
Alabama • New Mexico • Kentucky		Slovak Republic
Oklahoma	26	Hungary
Louisiana • Nevada • Arkansas		Columbia • Czech Republic • France
	24	
West Virginia • Mississippi		
	22	
		Italy
	20	
		Austria • Mexico
	18	
	↓	Chile • Turkey

The U.S. is often compared to other countries in the Organization for Economic Co-operation and Development (OECD) when measuring educational attainment. However, within the United States, each individual state can have very different education outcomes. Disaggregating attainment by individual U.S. states highlights the variance between state education systems in attainment percentages. The U.S. average for adults (ages 25-64) with a bachelor's degree or higher is 39 percent, higher than the OECD average and the Missouri average of 32 percent. These rankings can change significantly when comparing attainment levels of an associate degree or higher.

Note: The methodology and design for this figure was derived from the Texas Business Leadership Council and NCHEMS, 2013 TAB Higher Education Summit.

Source: OECD (2021), *Education at a Glance 2021: OECD Indicators*, OECD Publishing, Paris.
DOI: http://www.oecd.org/education/education-at-a-glance/; U.S. Census Bureau, Current Population Survey 2020. Current Population Survey (CPS) Table Creator For the Annual Social and Economic Supplement (http://www.census.gov/hhes/www/cpstc/cps_table_creator.html.

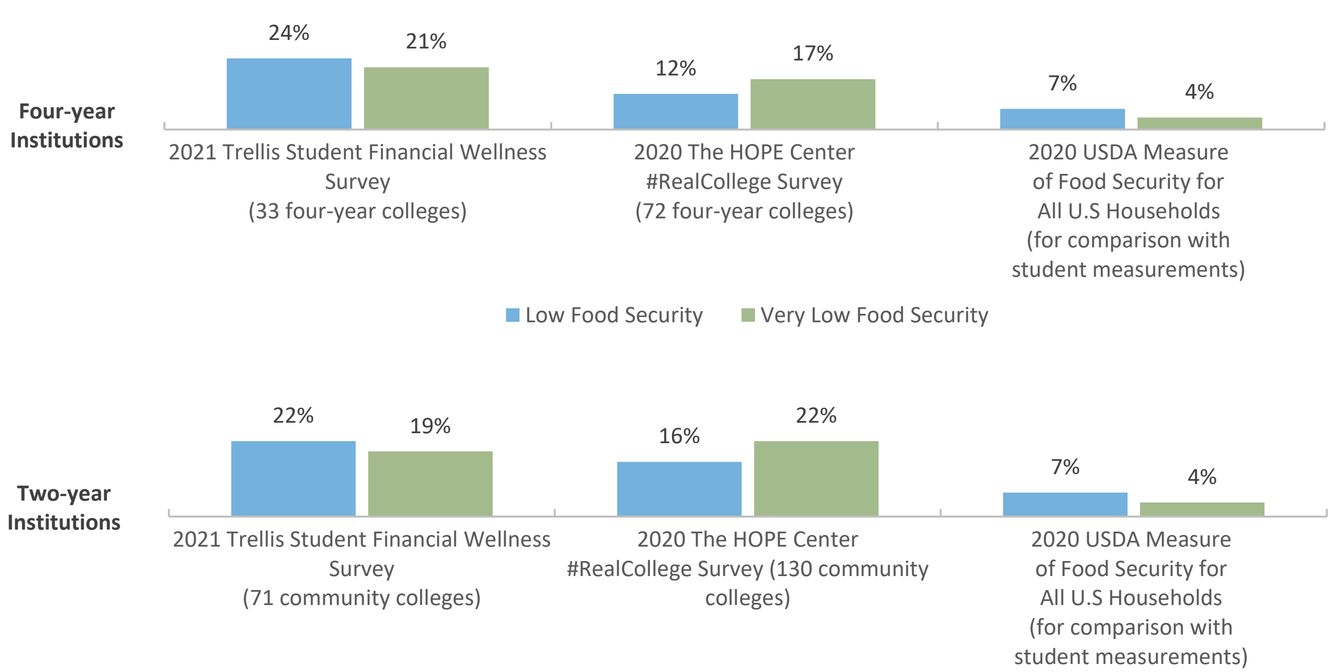
SECTION 9

Student Financial Wellness

Most of the data in this section come from Trellis' Student Financial Wellness Survey. This annual survey is open to any college nationwide, resulting in a convenience sample that, while not nationally representative, reflects a broad diversity of institutions. In the fall 2021 implementation, 104 colleges in 25 states participated – 71 community colleges and 33 four-year institutions. There were 44,254 respondents attending public two-year institutions and 19,497 respondents attending four-year institutions. Survey findings are broken out by school sector throughout most of this section. While no Missouri institutions participated in the fall 2021 survey, the results of the survey can be viewed as a general marker of students' thoughts, experiences, and concerns. Plans are underway for the survey in Fall 2023 to include many Missouri institutions.

Recent Studies of Food Security Amongst College Students Find Similar, High Levels of Food Insecurity

Recent Studies of Food Security Among College Students Using the U.S. Department of Agriculture Scale



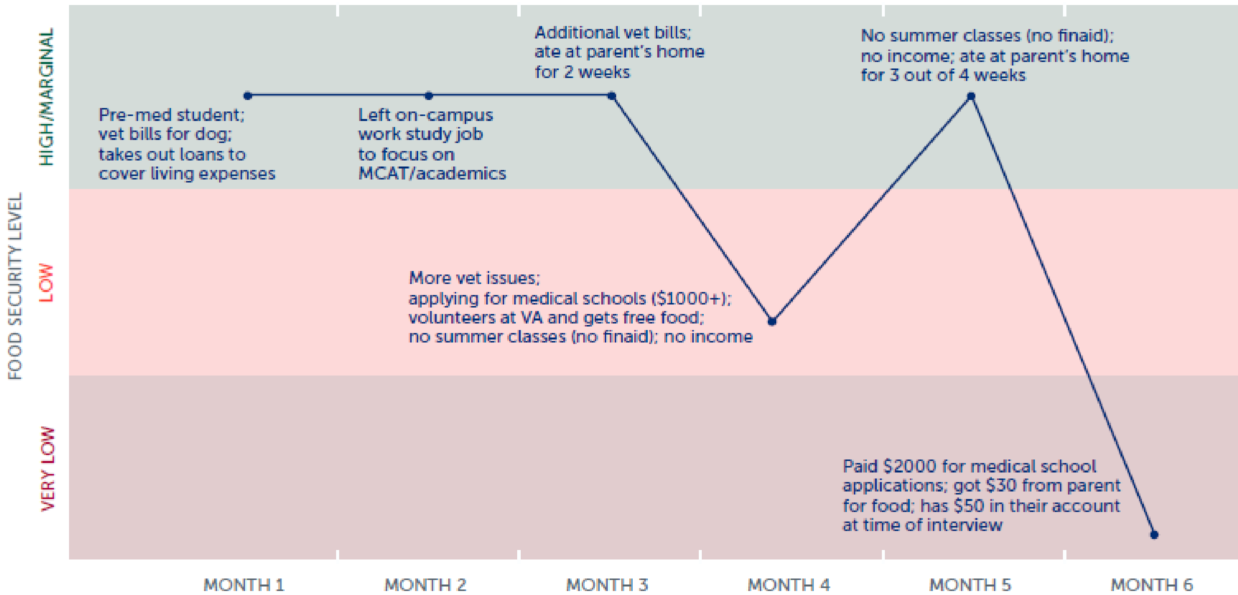
A growing body of research has explored the degree to which postsecondary students are struggling to meet their basic needs. While more research is needed to explore the extent to which basic needs insecurity affects student success, it is reasonable to assume that students who struggle with hunger, nutrition, and/or finding safe shelter will have a more difficult path to earning a degree. The measurement tool designed by the United States Department of Agriculture (USDA) defines low food security as “reports of reduced quality, variety, or desirability of diet” and very low food security as “reports of multiple indications of disrupted eating patterns and reduced food intake.” While no nationally representative research is available for food insecurity among college students, a number of studies have found similar, troubling levels. The National Center for Education Statistics plans on releasing nationally representative findings on food security among college students in the upcoming release of the National Postsecondary Student Aid Study (NPSAS:20).

In the Fall 2021 Student Financial Wellness Survey from Trellis Company, researchers found that 45 percent of students at four-year colleges and 41 percent of students at community colleges experienced low or very low food security. The survey was open to any college nationwide and recruited 104 colleges in 25 states. The study included 71 community colleges and 33 four-year institutions. Greater food insecurity amongst the four-year institution cohort in the Trellis study, compared to other studies, may be explained by the types of institutions participating; these schools were more likely to serve under-resourced students than average four-year institutions.

Note: The Trellis survey used the condensed six-question food security scale while the other surveys used the 10-question version.

Sources: United States Department of Agriculture (USDA). 2017. Definitions of food security. (https://www.ers.usda.gov/topics/food-nutrition-assistance/food-security-in-the-us/definitions-of-food-security/); Fletcher, C., Cornet, A., & Webster, J. Student Financial Wellness Survey: Fall 2021 (unpublished tables); Baker-Smith, C. Coca, V. Goldrick-Rab, S. Looker, E. Richardson, B. & Williams, T. (2021). #RealCollege 2021: Basic Needs Insecurity During the Ongoing Pandemic. The HOPE Center for College, Community, and Justice. (https://hope4college.com/wp-content/uploads/2020/02/2021_RealCollege_Survey_Report.pdf); U.S. Department of Agriculture, Economic Research Service. Food Security in the U.S. (https://www.ers.usda.gov/topics/food-nutrition-assistance/food-security-in-the-us/key-statistics-graphics/); Review of Other Food Security Studies: U.S. Government Accountability Office (USGAO). December 2018. Food Insecurity: Better Information Could Help Eligible College Students Access Federal Food Assistance Benefits. (https://www.gao.gov/assets/gao-19-95.pdf).

Longitudinal Study of College Students Reveals Fluid Pattern of Food Security



While quantitative surveys differentiate magnitudes of food security and report prevalence at a specific point in time – key metrics for understanding and managing aspects related to student success – they give us little insight into these students' day-to-day lives. To address this gap, Trellis Company conducted a qualitative study that interviewed 72 students once a month for nine months to better understand the dynamics behind student finances and academic performance. The first report from this effort, *Studying on Empty: A Qualitative Study of Low Food Security among College Students*, examines the lived experiences of 36 students who indicated they experienced low (LFS) or very low food security (VLFS) at least once during the nine-month study. This longitudinal perspective revealed a more fluid, fluctuating pattern of collegiate food security than is commonly understood, where sudden changes in financial stability (e.g., shifts in employment, financial aid, social networks, medical issues, personal budgeting, etc.) degraded or improved a student's food security.

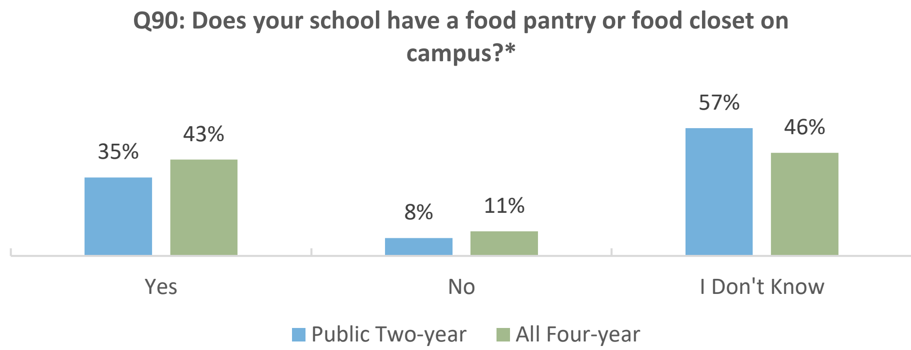
Over the course of the study, 26 participants experienced a decline in food security from one interview to the next.* Catalysts for degraded food security often included loss of employment, housing disruptions, and loss of financial aid.

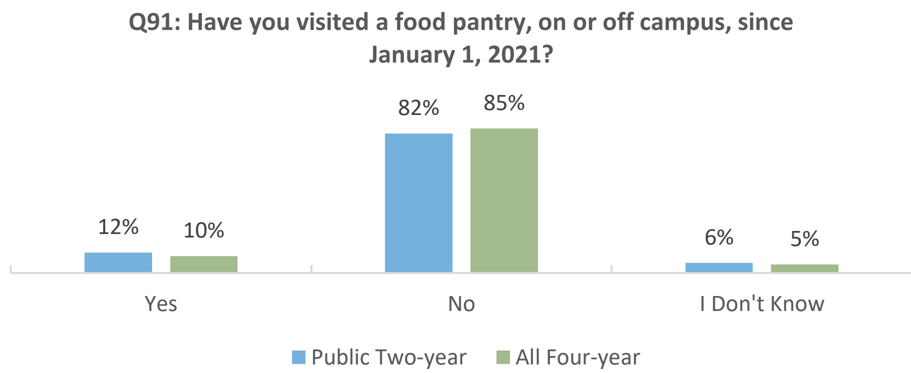
In the case above, a combination of ambitious academic and career goals, costly medical school applications, and recurring veterinary expenses resulted in the student's level of food security dropping twice. The student was food secure for the first three months of the study and had a restrictive, but attainable, budget. This changed in month four, where food security dropped from high/marginal to low due to a combination of: (1) recurring vet expenses; (2) pricey medical school applications; and (3) leaving her part-time, on-campus job to focus on academics. Fortunately, the student was able to secure free food through volunteering efforts and at her parents' home. This temporarily increased her food security for one month, but without financial aid or other regular sources of income, her financial and food situation degraded further to very low. By month six, she completely drained her savings after paying over $2,000 in medical school applications; and although she had received $30 from a parent for food, she only had $50 in her bank account at the time of the last interview.

*Researchers are unable to rule out the possibility that declining food security may be explained, in part, by the subjects becoming more comfortable discussing this sensitive topic with interviewers.

Source: Cornett, A., & Webster, J. (2020). Longitudinal Fluidity in Collegiate Food Security: Disruptions, Restoration, and Its Drivers. Trellis Company. Retrieved from: https://www.trelliscompany.org/wp-content/uploads/2020/02/Research-Brief_FSS_Longitudinal-Fluidity.pdf; Fernandez, C., Webster, J., & Cornett, A. (2019). Studying on Empty: A Qualitative Study of Low Food Security among College Students. Trellis Company. Retrieved from: https://www.trelliscompany.org/wp-content/uploads/2019/09/Studying-on-Empty.pdf

Less Than Half of Students Were Aware That Their College Has a Food Pantry





The Fall 2021 Student Financial Wellness Survey from Trellis Company found that 45 percent of students at four-year colleges and 41 percent of students at community colleges experienced low or very low food security. When students' basic needs are not being met, it makes it much more difficult to focus on academic success. Campuses nationwide have created food pantries on campus or established partnerships with food banks to try to address this issue.

Most of the institutions that participated in Trellis' 2021 survey had a food pantry or food closet on campus. However, only a little over a third of respondents at community colleges with a food pantry and 43 percent of respondents at a four-year institution with a food pantry were aware that their school had this resource. More than half of community college respondents and almost half of four-year respondents did not know if a food pantry was available on campus.

Twelve percent of community college respondents and ten percent of four-year respondents reported visiting a food pantry, on or off campus, during 2021. These percentages are much lower than the percentage of students who reported experiencing food insecurity. Making food pantries widely available and reducing the stigma of using them could help increase the number of needy students obtaining this resource.

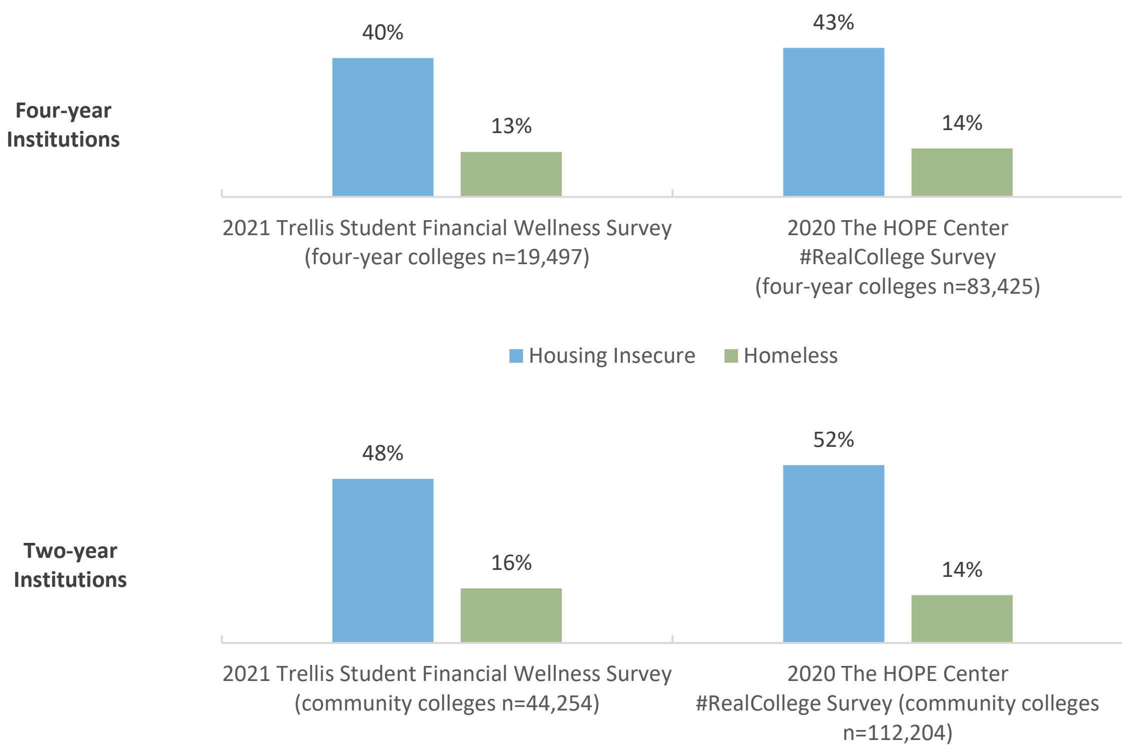
*Analysis in this table excludes institutions that did not have a food pantry or food closet at the time the survey was implemented.

Note: Trellis' Student Financial Wellness Survey is open to any college nationwide that wants to participate, resulting in a convenience sample that is not nationally representative. In the fall 2021 implementation, 104 colleges in 25 states participated – 71 community colleges and 33 four-year institutions. There were 44,254 respondents attending public two-year institutions and 19,497 respondents attending four-year institutions. While no Missouri institutions participated in the fall 2021 survey, the results of the survey can be viewed as a general marker of students' thoughts, experiences, and concerns. Results for Missouri students may deviate from national patterns.

Source: Fletcher, C., Cornet, A., & Webster, J. Student Financial Wellness Survey: Fall 2021 (unpublished tables).

Survey Says: Among Community College Student Respondents, Almost Half Were Housing Insecure

Recent Studies of Housing Security and/or Homelessness Among College Students within Prior Twelve Months



Recent studies by Trellis have found high levels of housing insecurity and homelessness among college students. Being homeless or "without a place to live, often residing in a shelter, an automobile, an abandoned building, or outside" can make an already challenging college experience even more difficult. Housing insecurity, including inability to pay full housing costs and moving in with others due to financial issues, is less severe, but can also make the college experience difficult. As the cost of college rises, basic needs security may become a barrier to success for more students. Some colleges are addressing housing issues with emergency grants, temporary housing, and partnerships with local organizations to provide rental assistance to students.

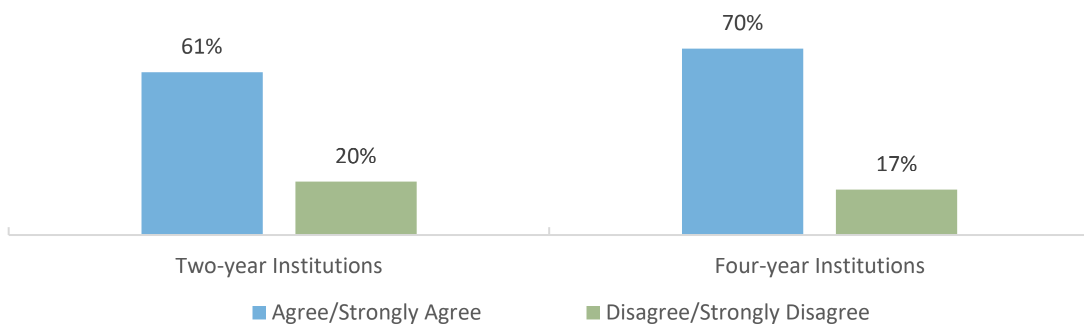
Trellis' Fall 2021 Student Financial Wellness Survey found 48 percent of community college students and 40 percent of four-year college students experienced housing insecurity in the previous 12 months. The Trellis study found that 16 percent of community college students and 13 percent of four-year students experienced homelessness in that same time period. Similar levels were found in a 2020 survey from the HOPE Center for Community, College, and Justice. The Trellis survey was open to any college nationwide that wanted to participate, and of the 104 colleges (in 25 states) in the study, 71 were community colleges and 33 were four-year institutions.

Note: Trellis' Student Financial Wellness Survey is open to any college nationwide that wants to participate, resulting in a convenience sample that is not nationally representative. In the fall 2021 implementation, 104 colleges in 25 states participated – 71 community colleges and 33 four-year institutions. There were 44,254 respondents attending public two-year institutions and 19,497 respondents attending four-year institutions. While no Missouri institutions participated in the fall 2021 survey, the results of the survey can be viewed as a general marker of students' thoughts, experiences, and concerns. Results for Missouri students may deviate from national patterns.

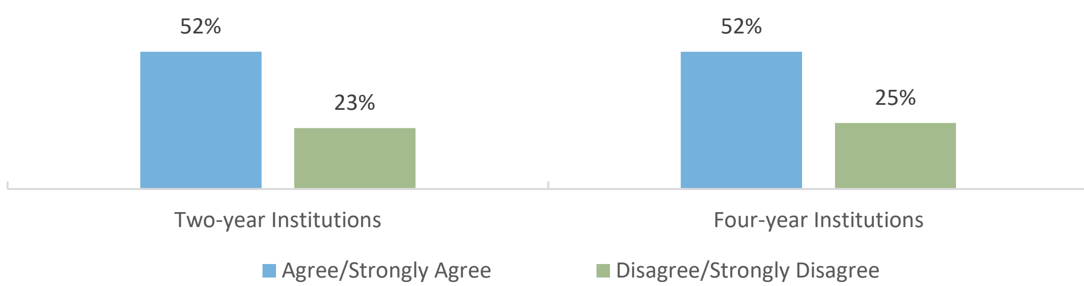
Source: Fletcher, C., Cornet, A., & Webster, J. Student Financial Wellness Survey: Fall 2021 (unpublished tables); #RealCollege 2021: Basic Needs Insecurity During the Ongoing Pandemic. The HOPE Center for College, Community, and Justice. (https://hope4college.com/wp-content/uploads/2020/02/2021_RealCollege_Survey_Report.pdf; U.S. News and World Report (February 27, 2018). A New Focus on College Campuses: Ending Housing Insecurity. https://www.usnews.com/news/education-news/articles/2018-02-27/campus-focus-on-solving-housing-insecurity-helping-homeless-students.

More Than Half of Students Have Concerns About Affording College

Q49: I worry about having enough money to pay for school.*



Q50: I know how I will pay for college next semester.*



There is growing recognition that the interplay of student collegiate finances and academic performance influences key student outcomes like retention and graduation. It is common practice for a student to develop an academic plan for college, but often there is no accompanying financial plan to help the student plan for the high direct and indirect costs of college. With these costs, those students with financial challenges may find themselves unsure of whether they can or should re-enroll in their next semester.

In Trellis' Fall 2021 Student Financial Wellness Survey, many students surveyed signaled concerns about being able to afford college. More than three in five respondents (61 percent) at two-year institutions and 70 percent of respondents at four-year institutions either agreed or strongly agreed that they worry about having enough money to pay for school. Twenty-three percent of respondents at two-year institutions and 25 percent of respondents at four-year institutions either disagreed or strongly disagreed that they knew how they would pay for college next semester.

*Responses indicating 'Neutral' are not shown

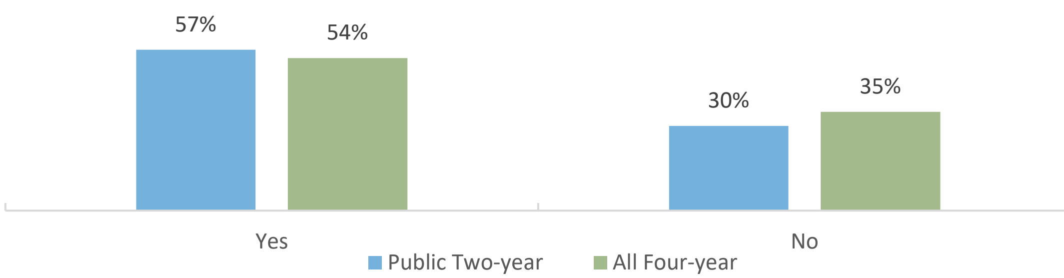
Note: Trellis' Student Financial Wellness Survey is open to any college nationwide that wants to participate, resulting in a convenience sample that is not nationally representative. In the fall 2021 implementation, 104 colleges in 25 states participated – 71 community colleges and 33 four-year institutions. There were 44,254 respondents attending public two-year institutions and 19,497 respondents attending four-year institutions. While no Missouri institutions participated in the fall 2021 survey, the results of the survey can be viewed as a general marker of students' thoughts, experiences, and concerns. Results for Missouri students may deviate from national patterns.

Source: Fletcher, C., Cornet, A., & Webster, J. Student Financial Wellness Survey: Fall 2021 (unpublished tables).

The Majority of College Students Would Have Trouble Getting $500 to Meet an Unexpected Need

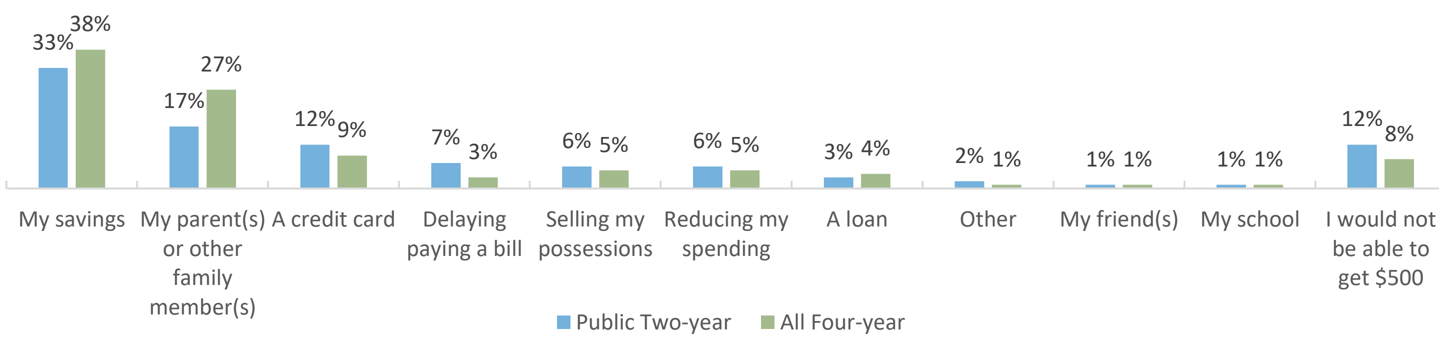
Trouble Getting $500

Q41: Would you have trouble getting $500 in cash or credit in order to meet an unexpected need within the next month?*



Resources Turned to in a Hypothetical Emergency

Q42: Imagine that you had to pay a $500 cost unexpectedly in the next month. In this situation, which of the following resources would you turn to first?



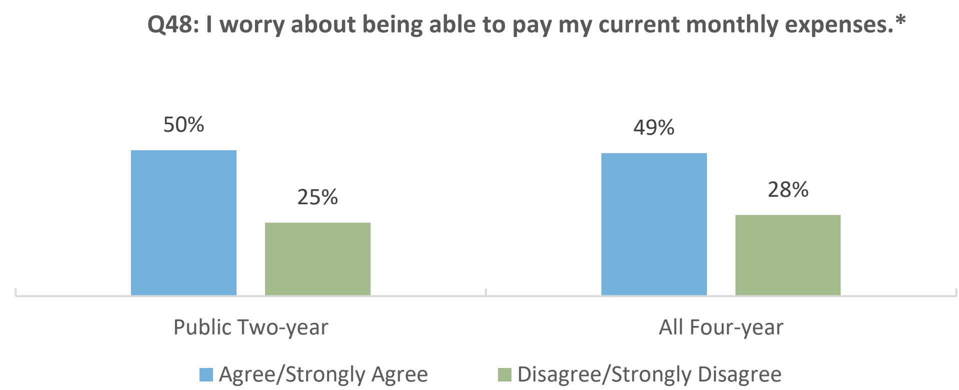
For students on tight budgets, persisting in school often depends on financial plans that go smoothly, as even modest disruptions due to accidents, illness, or unanticipated expenses can impede success. For students who are financially vulnerable, a relatively small expense can force difficult decisions around staying enrolled in college.

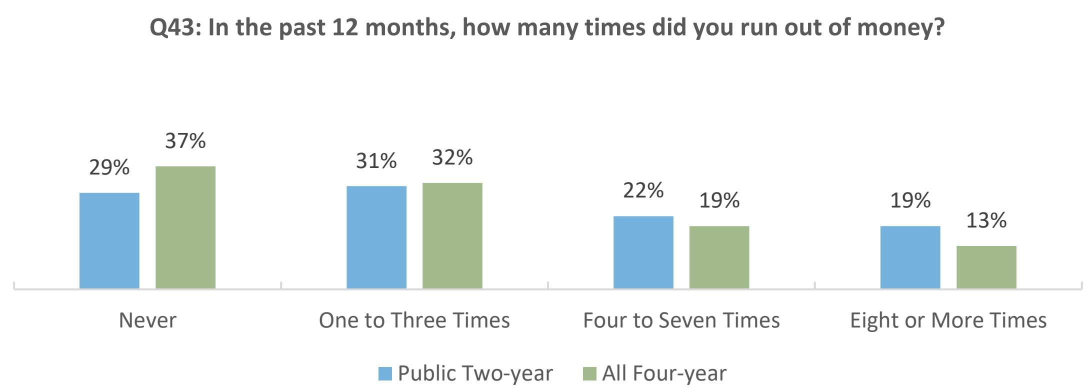
In the Fall 2021 Trellis Student Financial Wellness Survey, more than half of respondents from two-year and four-year institutions indicated they would have trouble getting $500 in cash or credit in an emergency. The most common resource students from both sectors would turn to if they needed $500 for an emergency is their savings. More than a quarter of four-year respondents and 17 percent of community college respondents said they would turn to their parents or other family. Some respondents also reported that they would use a credit card, delay paying a bill, sell possessions, reduce spending, take a loan, or turn to their friends or school. However, 12 percent of community college respondents and eight percent of four-year respondents said they would not be able to come up with $500 from any resource.

Note: Trellis' Student Financial Wellness Survey is open to any college nationwide that wants to participate, resulting in a convenience sample that is not nationally representative. In the fall 2021 implementation, 104 colleges in 25 states participated – 71 community colleges and 33 four-year institutions. There were 44,254 respondents attending public two-year institutions and 19,497 respondents attending four-year institutions. While no Missouri institutions participated in the fall 2021 survey, the results of the survey can be viewed as a general marker of students' thoughts, experiences, and concerns. Results for Missouri students may deviate from national patterns.

Sources: Fletcher, C., Cornet, A., & Webster, J. Student Financial Wellness Survey: Fall 2021 (unpublished tables).

Half of Students Express Concern About Affording Monthly Expenses; Most are Running Out of Money at Least Once Annually





Some of the anxiety around paying for school may be driven by students' concern for their day-to-day expenses. In the Fall 2021 Trellis Student Financial Wellness Survey, about half of respondents – 50 percent at two-year institutions and 49 percent at four-year institutions – worried to some degree about paying for their current monthly expenses.

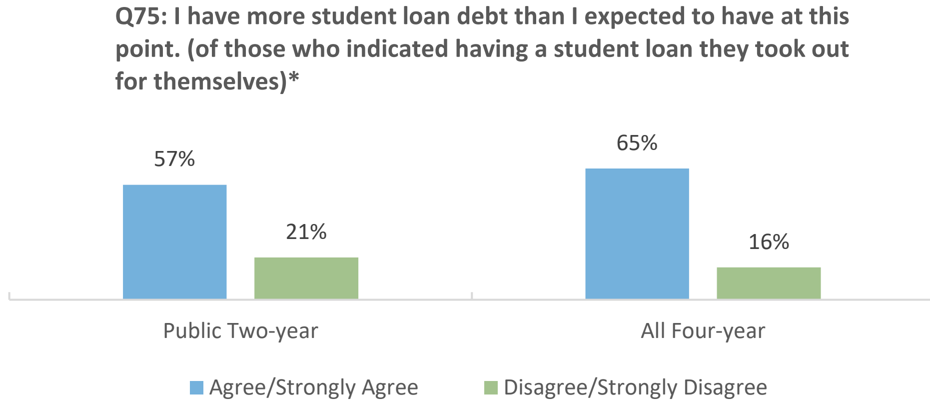
It takes careful planning for students to meet their expenses and manage a limited, often uncertain, cash flow while attending school. Nearly three-quarters of respondents at two-year institutions – and almost two-thirds of respondents at four-year institutions – reported running out of money at least once in the past 12 months. Alarmingly, 19 percent of respondents at two-year institutions and 13 percent of respondents at four-year institutions reported running out of money eight or more times in the past 12 months.

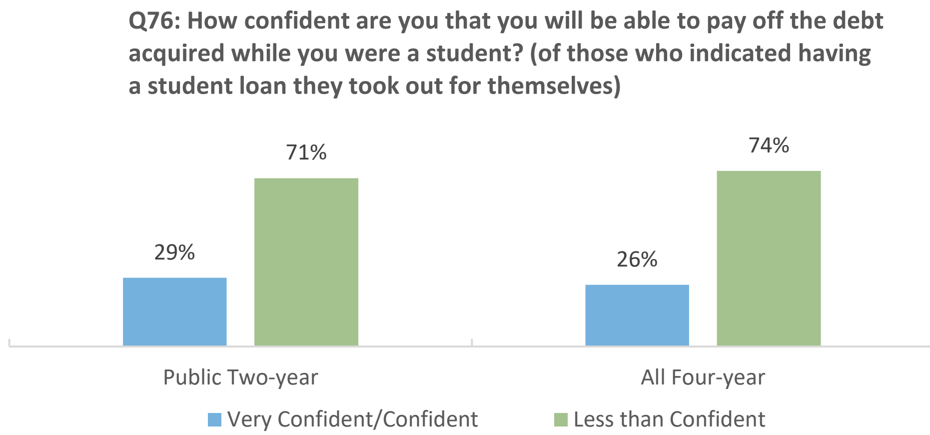
*Responses indicating 'Neutral' are not shown

Note: Trellis' Student Financial Wellness Survey is open to any college nationwide that wants to participate, resulting in a convenience sample that is not nationally representative. In the fall 2021 implementation, 104 colleges in 25 states participated – 71 community colleges and 33 four-year institutions. There were 44,254 respondents attending public two-year institutions and 19,497 respondents attending four-year institutions. While no Missouri institutions participated in the fall 2021 survey, the results of the survey can be viewed as a general marker of students' thoughts, experiences, and concerns. Results for Missouri students may deviate from national patterns.

Source: Fletcher, C., Cornet, A., & Webster, J. Student Financial Wellness Survey: Fall 2021 (unpublished tables).

More Than Two-thirds of Students Are Less Than Confident They Can Pay Off the Debt Acquired





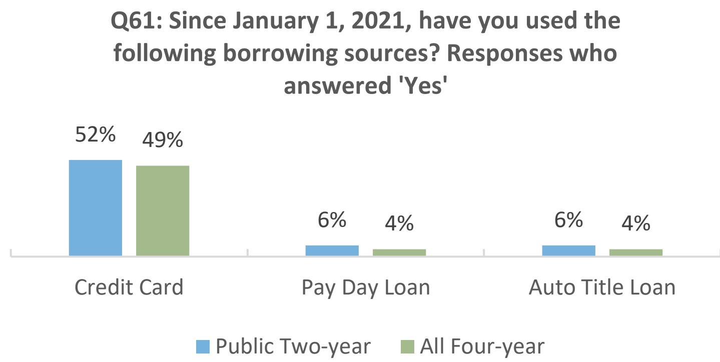
Estimating college expenses can be difficult, especially for students who are the first in their families to attend college. In the Fall 2021 Trellis Student Financial Wellness Survey, more than half of respondents who borrowed at two-year institutions and 65 percent of respondents at four-year institutions agreed or strongly agreed with the statement that they had more student loan debt than they expected at this point. Many students borrow with no confidence in their ability to repay. More than two-thirds of respondents who borrowed at two-year institutions and 74 percent of respondents at four-year institutions were not at all confident or only somewhat confident they would be able to pay off the debt acquired while they were a student. Institutions sometimes turn to financial literacy education to help increase students' understanding, including their choices about borrowing and repaying student loans.

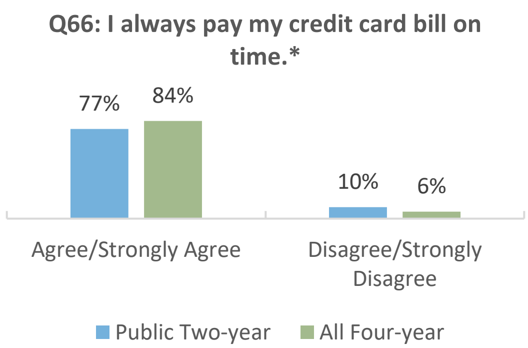
*Of those who said they had borrowed student loans to pay for college; responses indicating 'Neutral' are not shown

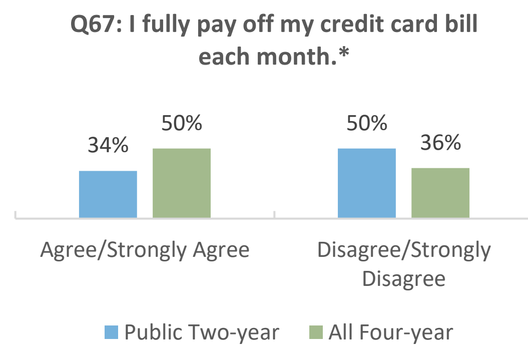
Note: Trellis' Student Financial Wellness Survey is open to any college nationwide that wants to participate, resulting in a convenience sample that is not nationally representative. In the fall 2021 implementation, 104 colleges in 25 states participated – 71 community colleges and 33 four-year institutions. There were 44,254 respondents attending public two-year institutions and 19,497 respondents attending four-year institutions. While no Missouri institutions participated in the fall 2021 survey, the results of the survey can be viewed as a general marker of students' thoughts, experiences, and concerns. Results for Missouri students may deviate from national patterns.

Sources: Fletcher, C., Cornet, A., & Webster, J. Student Financial Wellness Survey: Fall 2021 (unpublished tables).

Half of Community College Students Do Not Pay Off Their Credit Card Balance Each Month







Many students borrow student loans to pay for school, but students sometimes turn to potentially riskier forms of credit. Credit cards, pay day loans, and auto title loans can carry high interest rates, making them expensive sources of credit.

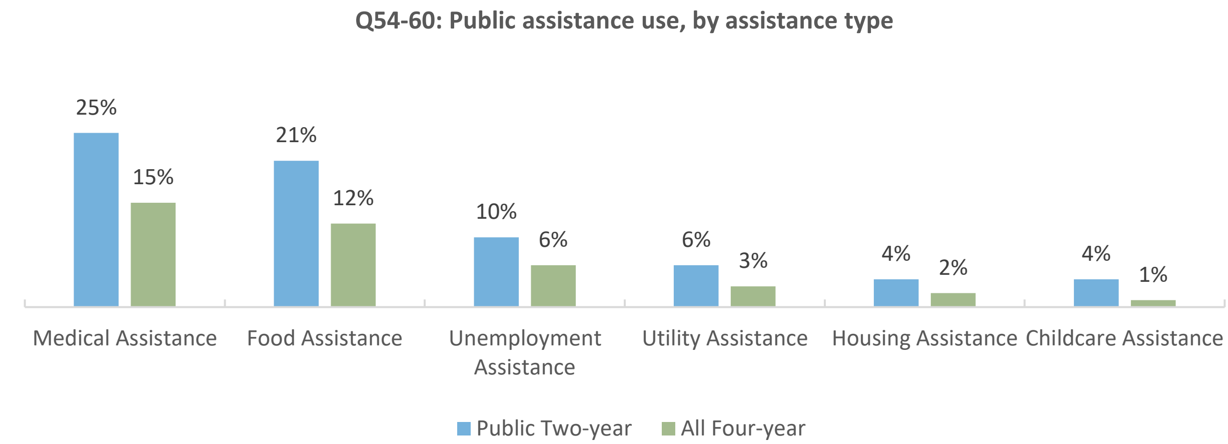
In the Fall 2021 Trellis Student Financial Wellness Survey, more than half of respondents who borrowed at two-year institutions and 49 percent of respondents at four-year institutions said they had used a credit card at least once during the year. In both sectors, six percent of respondents reported borrowing a pay day loan and four percent reported borrowing an auto title loan. Of those who had used a credit card, a majority of respondents agreed or strongly agreed that they always pay their credit card bill on time – 77 percent of two-year respondents and 84 percent of four-year respondents. However, only 34 percent of two-year respondents and 50 percent of four-year respondents agreed or strongly agreed that they fully pay off their credit card bill each month, accruing interest at potentially high rates.

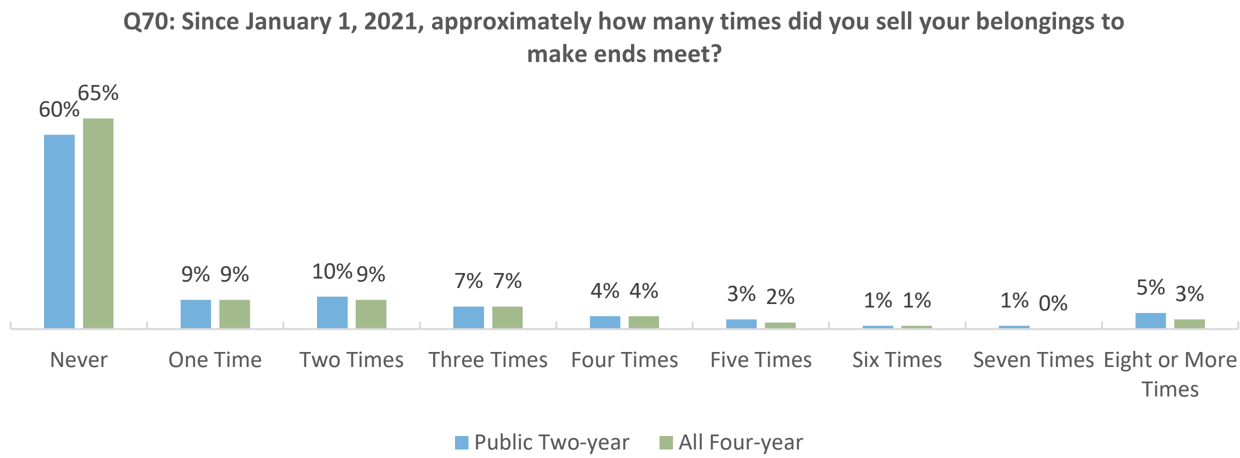
*Of those who said they had used a credit card since the beginning of the year; responses indicating 'Neutral' are not shown

Note: Trellis' Student Financial Wellness Survey is open to any college nationwide that wants to participate, resulting in a convenience sample that is not nationally representative. In the fall 2021 implementation, 104 colleges in 25 states participated – 71 community colleges and 33 four-year institutions. There were 44,254 respondents attending public two-year institutions and 19,497 respondents attending four-year institutions. While no Missouri institutions participated in the fall 2021 survey, the results of the survey can be viewed as a general marker of students' thoughts, experiences, and concerns. Results for Missouri students may deviate from national patterns.

Sources: Fletcher, C., Cornet, A., & Webster, J. Student Financial Wellness Survey: Fall 2021 (unpublished tables).

Over a Third of Students Report Selling Belongings to Make Ends Meet





Many students reported selling their belongings at a pawn shop, online marketplace, over social media, or using another avenue to make ends meet. Forty percent of community college respondents and 35 percent of 4-year respondents reported doing this at least once during 2021.

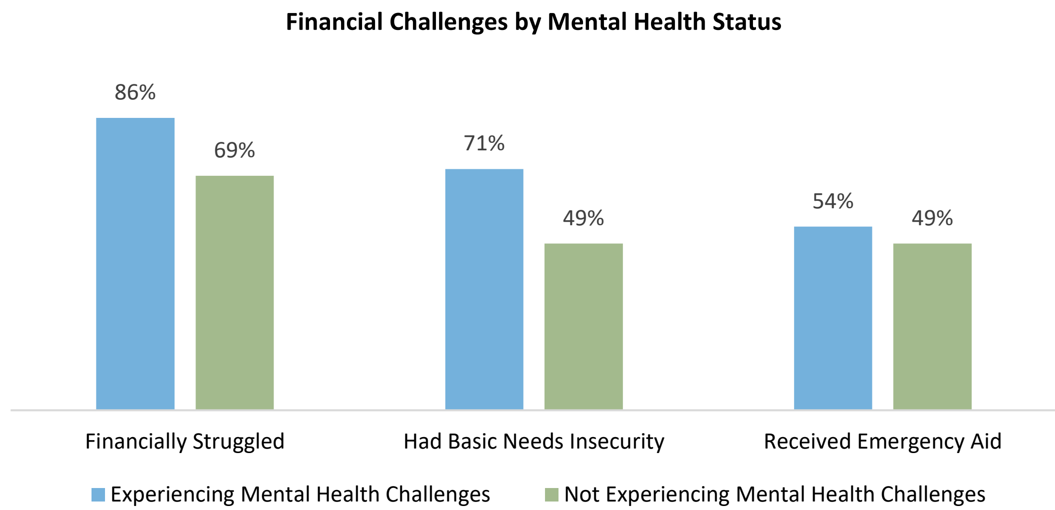
Students often have a network of family or friends that they can turn to in times of need, but sometimes students must go beyond their social network for help. During the pandemic, access to many forms of public assistance, especially for college students, had been expanded.

In the Fall 2021 Trellis Student Financial Wellness Survey, a quarter of community college respondents said they received medical assistance and more than one in five received food assistance. Over one in ten four-year respondents reported receiving medical assistance and food assistance. Smaller percentages of respondents said they received unemployment, utility, housing, and childcare assistance.

Note: Trellis' Student Financial Wellness Survey is open to any college nationwide that wants to participate, resulting in a convenience sample that is not nationally representative. In the fall 2021 implementation, 104 colleges in 25 states participated – 71 community colleges and 33 four-year institutions. There were 44,254 respondents attending public two-year institutions and 19,497 respondents attending four-year institutions. While no Missouri institutions participated in the fall 2021 survey, the results of the survey can be viewed as a general marker of students' thoughts, experiences, and concerns. Results for Missouri students may deviate from national patterns.

Sources: Fletcher, C., Cornet, A., & Webster, J. Student Financial Wellness Survey: Fall 2021 (unpublished tables); Federal Stimulus Funds: U.S. Department of the Treasury. Economic Impact Payments (https://home.treasury.gov/policy-issues/coronavirus/assistance-for-american-families-and-workers/economic-impact-payments).

Students Who Experienced Mental Health Struggles Were More Likely to Also Experience Financial Struggles



Mental health challenges were already common on college campuses before the pandemic. The stress of college, often compounded with issues like financial instability, basic needs insecurities, and other responsibilities like caregiving and work, resulted in more than one-third of college students meeting the criteria for one or more conditions in both the 2018 and 2019 Healthy Minds Study implementations. The pandemic added stresses related to personal safety, health, isolation, and worry about loved ones. The 2020 implementation of the Healthy Minds Study found that 47 percent of students indicated depression or anxiety.

The Fall 2021 Trellis Student Financial Wellness Study (SFWS) found that a significantly higher percentage of students who screened positive for depression or anxiety, or both, had reported struggling financially while enrolled, experiencing basic needs insecurity, and receiving emergency aid from their institution compared to students who had not screened positive for either depression or anxiety. Almost three-quarters of students who were experiencing depression or anxiety at the time of the survey had also experienced food or housing insecurity in the prior year, compared to just under half of students who had not been experiencing depression or anxiety.

*The SFWS used a modified, short-form scale first used by the Centers for Disease Control and Prevention (CDC) that measures the frequency of depressed mood and the inability to feel pleasure over the past seven days.

**The SFWS used a modified, short-form scale used by the CDC to screen for generalized anxiety disorder. This scale measures the frequency of anxious and worried feelings over the past seven days.

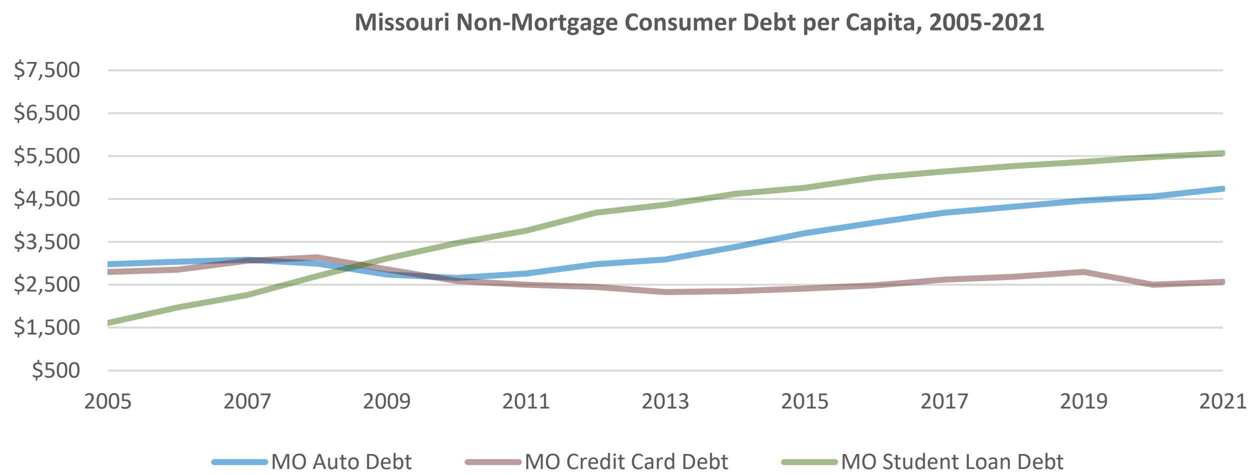
Note: Trellis' Student Financial Wellness Survey is open to any college nationwide that wants to participate, resulting in a convenience sample that is not nationally representative. In the fall 2021 implementation, 104 colleges in 25 states participated – 71 community colleges and 33 four-year institutions. There were 44,254 respondents attending public two-year institutions and 19,497 respondents attending four-year institutions. While no Missouri institutions participated in the fall 2021 survey, the results of the survey can be viewed as a general marker of students' thoughts, experiences, and concerns. Results for Missouri students may deviate from national patterns.

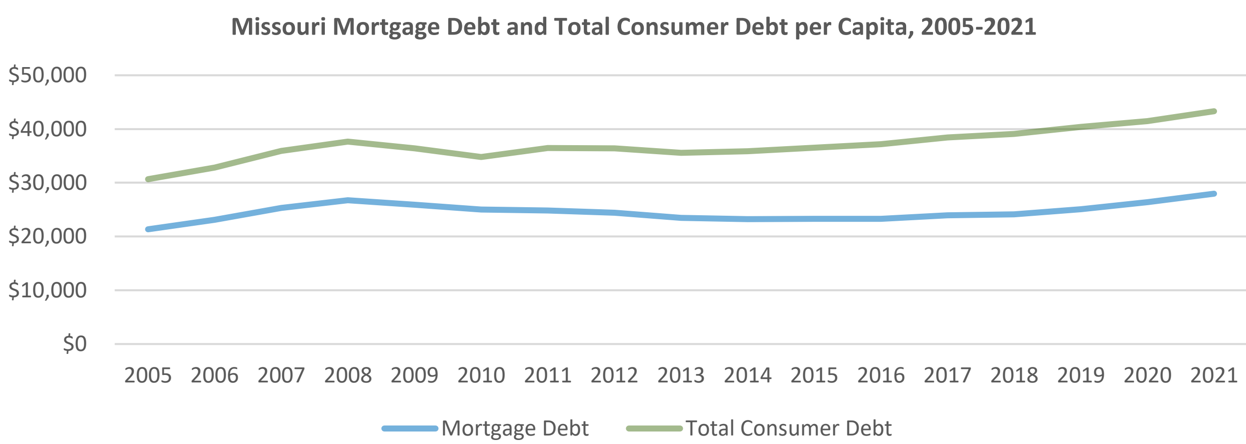
Sources: Fletcher, C., Cornet, A., & Webster, J. Student Financial Wellness Survey: Fall 2021 (unpublished tables); Healthy Minds Study: The Healthy Minds Network, National Data Reports (https://healthymindsnetwork.org/research/data-for-researchers/).

SECTION 10

Consumer Debt

Missouri Student Debt Per Capita Surpassed Auto Debt and Credit Card Debt in 2009

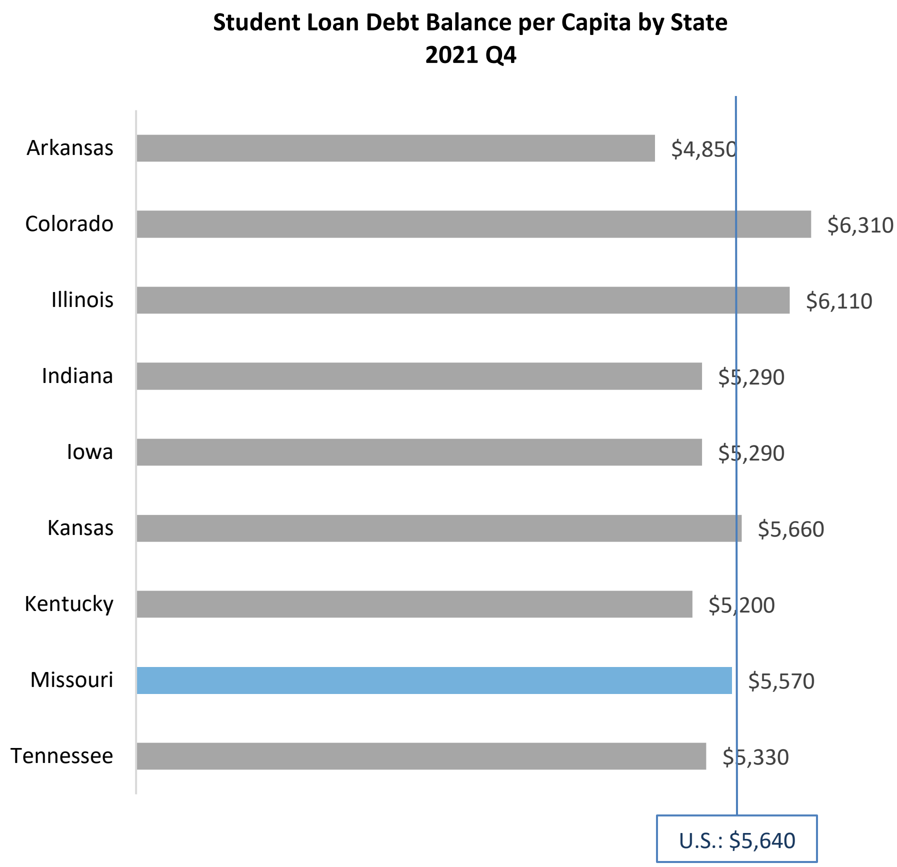




In Missouri, mortgage debt is the largest form of consumer debt, at $27,970 per capita by the fourth quarter of 2021. Amongst the other forms of consumer debt, student loans surpassed credit card debt and auto loan debt in 2009, mirroring the patterns seen nationally. Total student loan debt in Missouri has been increasing by two or three percent for the past five years after experiencing much larger increases in earlier years. Credit card debt declined a little in Missouri during the first three quarters of 2020 as the pandemic discouraged consumer spending, but has been increasing again.

Source: Federal Reserve Bank of New York, The Center for Microeconomic Data, Data & Reports, 2021 Q4 (https://www.newyorkfed.org/microeconomics/data.html).

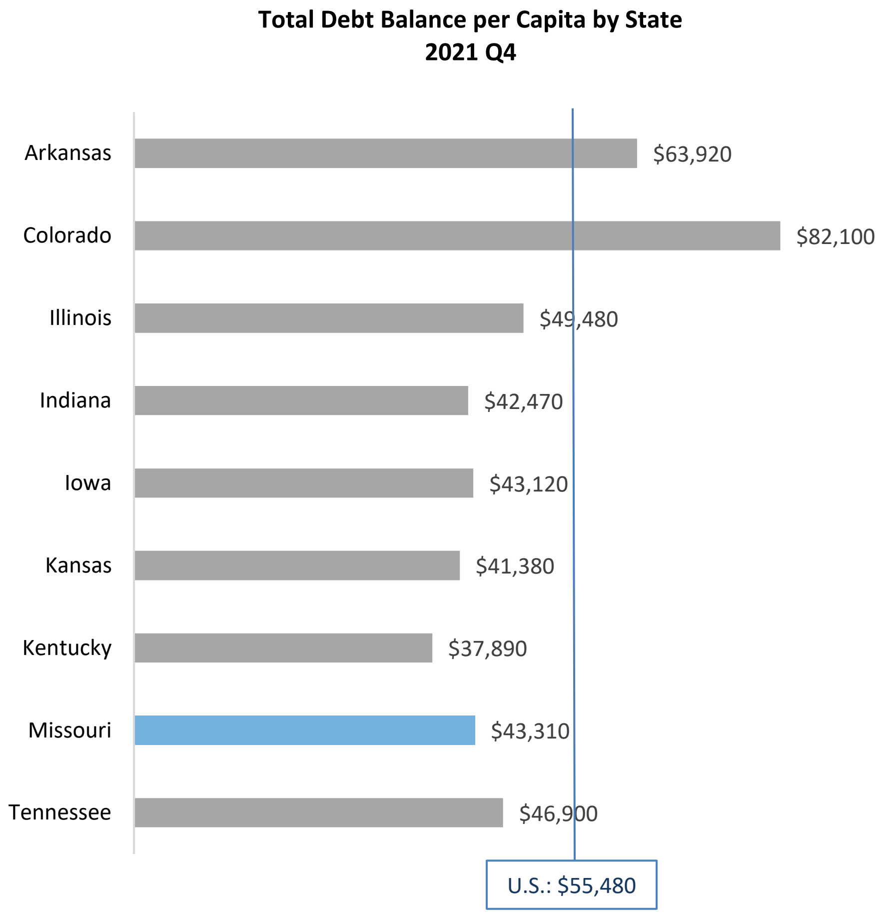
Missouri Student Loan Balance Per Capita Slightly Lower Than National Average



In the fourth quarter of 2021, borrowers in Missouri had a per capita student loan debt balance of about $5,570, slightly lower than the national balance of $5,640. Missouri has the fourth highest student loan debt balance among its eight peer states. Student loans in this analysis include loans to finance educational expenses provided by banks, credit unions and other financial institutions as well as federal and state governments.

Source: Federal Reserve Bank of New York, The Center for Microeconomic Data, Data & Reports, 2021 Q4 (https://www.newyorkfed.org/microeconomics/data.html).

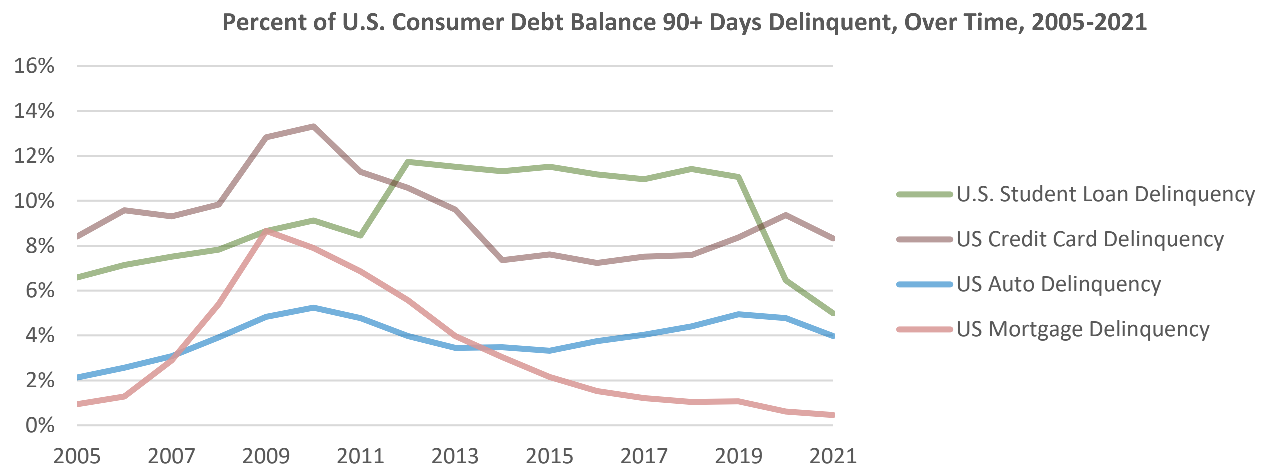
Missouri Per Capita Total Debt Lower Than National Average

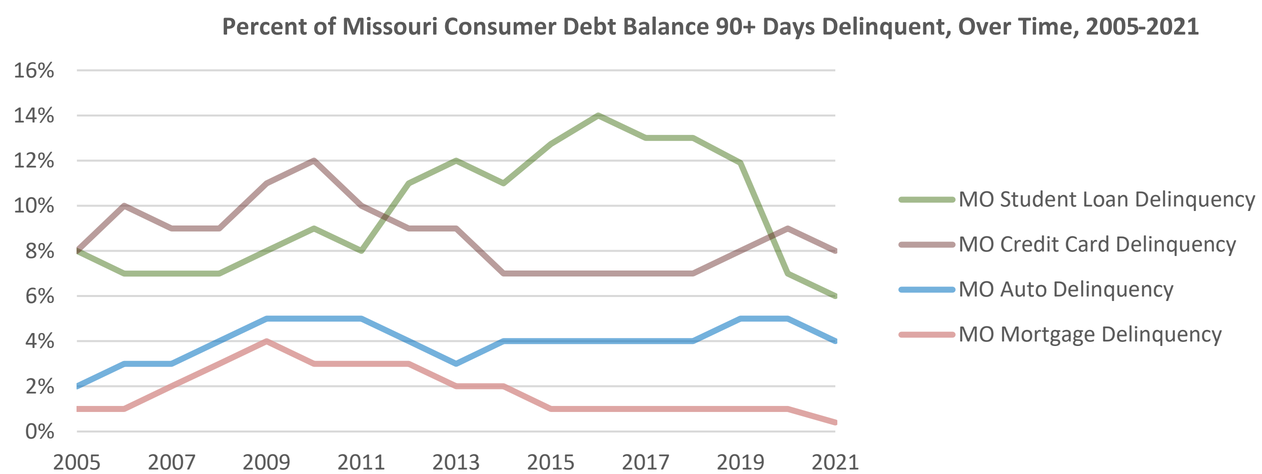


With a per capita average of $43,310 in debt, borrowers in Missouri have a lower debt balance than the national average of $55,480. This debt profile includes mortgage accounts, home equity revolving accounts, auto loans, bankcard or credit card accounts, student loans, and other loans (such as consumer finance and retail loans).

Source: Federal Reserve Bank of New York, The Center for Microeconomic Data, Data & Reports, 2021 Q4 (https://www.newyorkfed.org/microeconomics/data.html).

Severe Delinquency for Student Loan Borrowers Has Fallen Dramatically Since 2020





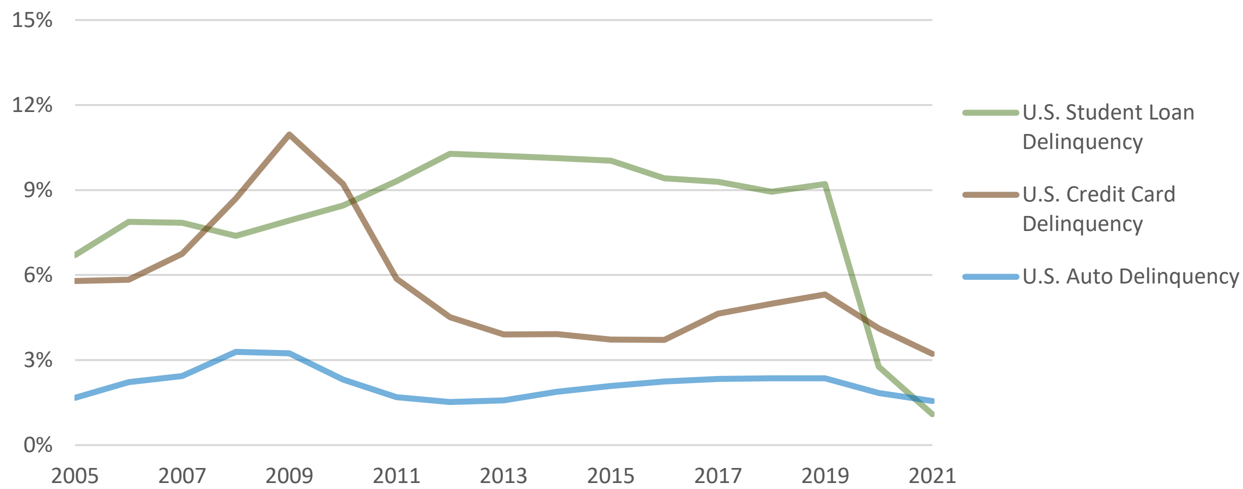
The percentage of debt that is severely delinquent – 90 or more days late – has shifted by debt type over time. In Missouri and nationally, severe student loan debt delinquency (including federal, state, and private student loans) overtook credit card delinquency in 2012 to have the highest percentage of severely delinquent borrowers. Severely delinquent student loan debt peaked in Missouri in 2016. Most student loans are made by the federal government as entitlements and have no credit rating requirement for borrowers. While severe mortgage debt delinquencies grew during the Great Recession, it has always had the lowest percentage of severely delinquent borrowers in Missouri and fell to 0.4 percent by the fourth quarter of 2021.

Student loan delinquency began to decrease starting in the first quarter of 2020 and has fallen dramatically through the fourth quarter of 2021 so that student loan debt delinquency is now lower than credit card delinquency in Missouri and nationwide. The student loan relief enacted through the federal CARES (Coronavirus Aid, Relief, and Economic Security) Act that was passed in March 2020 applied to nearly all student loan borrowers. The freeze on student loan repayment is currently set to expire by August 2023, or potentially earlier, depending on the result of pending litigation.

Source: Federal Reserve Bank of New York, The Center for Microeconomic Data, Data & Reports, 2021 Q4 (https://www.newyorkfed.org/microeconomics/data.html).

Delinquent Balances for Student Loan Debt Continue to Decrease Due to COVID-19 Pandemic Relief Measures

New 90+ Days Delinquent Loan Balances (Non-Mortgage), Nationally Over Time, 2005-2021



The percentage of credit card balances and auto loan balances that were severely delinquent increased during the 2008 economic recession. They decreased following the recession and were beginning to increase again prior to the start of the COVID-19 pandemic. Both credit card balances and auto loan balances have decreased since the first quarter of 2020.

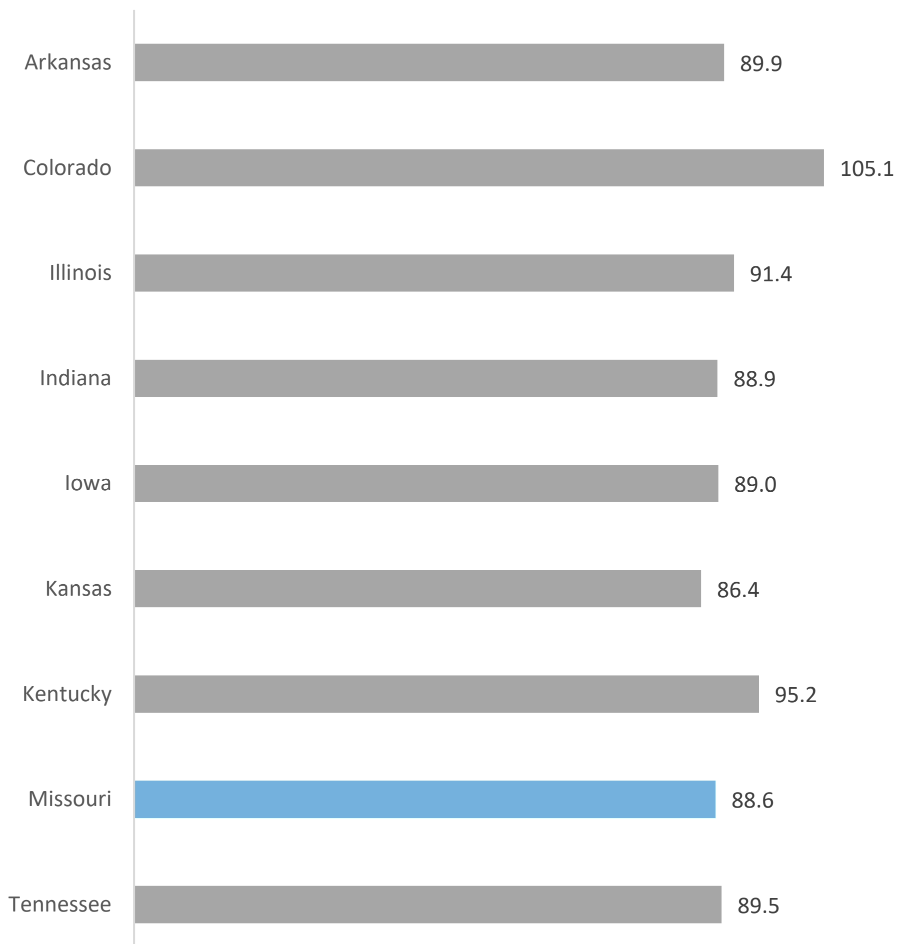
Student loan delinquency has decreased dramatically since the start of the COVID-19 pandemic as a result of relief measures included in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, passed on March 26, 2020. The freeze on student loan payments has made it impossible for the majority of student loan borrowers to become delinquent on their loan payments. New student loan delinquencies are now lower than both new credit card and new auto delinquencies.

Source: Federal Reserve Bank of New York, The Center for Microeconomic Data, Data & Reports, 2021 Q4 (https://www.newyorkfed.org/microeconomics/data.html).

Missouri Had Seventh Lowest Cost of Living in the Nation in 2022

Missouri had the second lowest cost of living among its eight peer states, and the seventh lowest cost of living among all 50 states, in the second quarter of 2022. All of Missouri's peer states except for Colorado were lower than the national average cost of living.* Of the five participating Missouri cities that contributed to Missouri's overall cost of living calculation, Joplin had the lowest cost of living index at 80.7 percent, followed by St. Louis at 85.7 and Springfield at 87.1. Columbia and Kansas City had the highest cost of living within the participating cities in Missouri, at 94.7 and 95.7 respectively.

Cost of Living Index by State, 2022 2nd Quarter



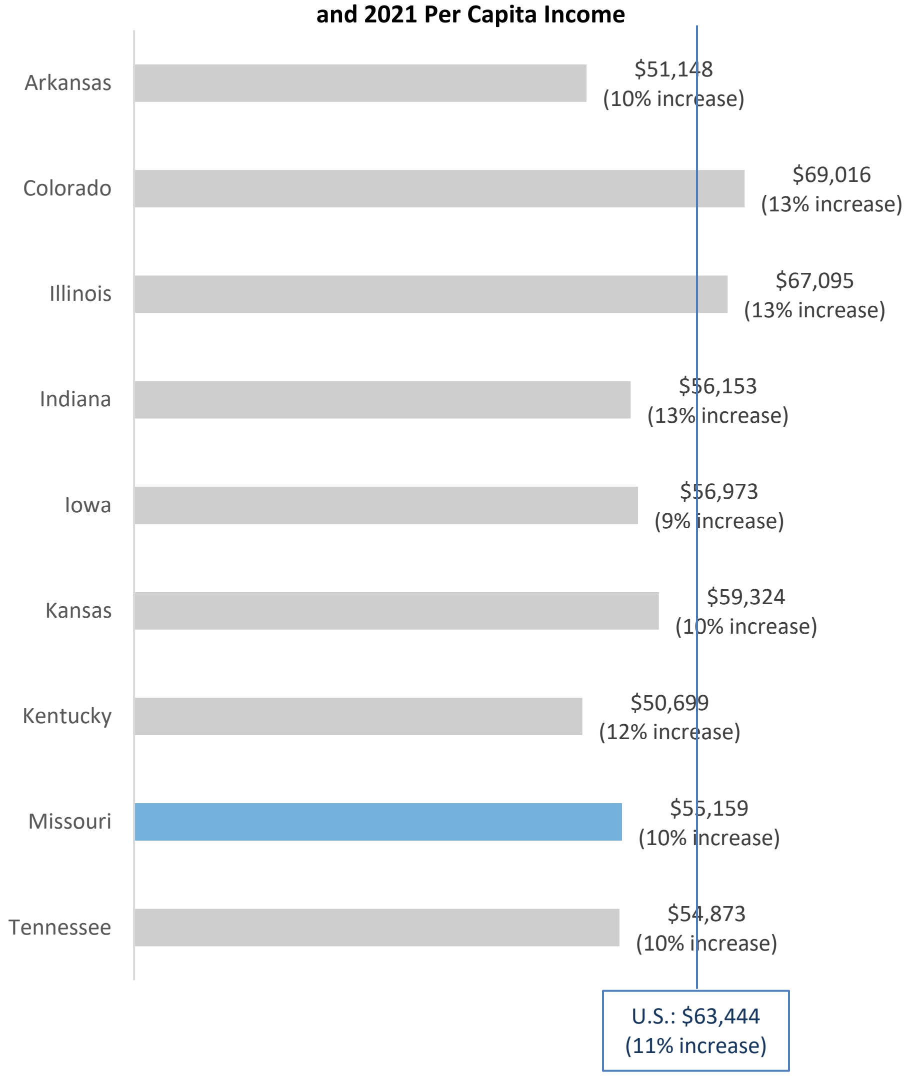
* Indexed at 100.0 for the nation.

Source: Missouri Economic Research and Information Center, Cost of Living Data Series (https://meric.mo.gov/data/cost-living-data-series).

Missouri Per Capita Income Lower Than National Average

Missouri's per capita income in 2021 was $55,159, higher than the per capita income in Arkansas, Kentucky, and Tennessee, but lower than the national average of $63,444. Nationally, per capita income increased 11 percent between 2017* and 2021. Missouri experienced an increase of ten percent during that same time period.

2021 Per Capita Income by State and Difference Between 2017* and 2021 Per Capita Income



*The 2017 income is adjusted for inflation to 2021 dollars.

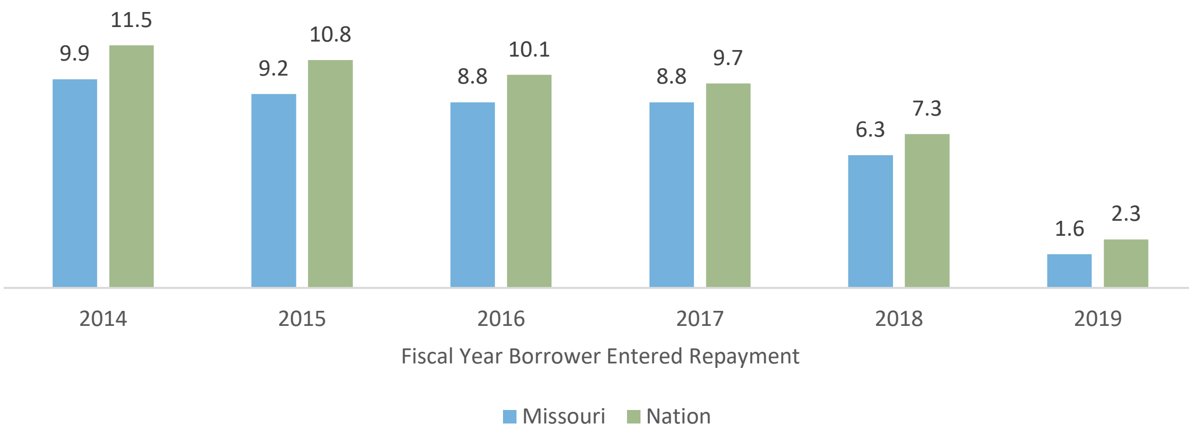
Source: Missouri Economic Research and Information Center, Missouri 2021 Personal and Per Capita Income (https://meric.mo.gov/data/income-measures/personal-per-capita-income).

SECTION 11

Repayment and Default

Default Rates Decrease for Missouri and the Nation

Missouri, National Three-year Cohort Default Rates*
(FY 2014–2019)



Federal cohort default rates (CDRs) have declined during the last six years for both Missouri and the nation. The large reduction in the rates in 2019 was due mostly to the student loan payment freeze that was originally implemented in March 2020. At that time, most student loans** in repayment were placed into automatic forbearance with a zero percent interest rate, meaning that students were not required to make any payments on their student loans and would not be able to default on their loans. Borrowers who had been in delinquency or default also had their loans placed into automatic forbearance, and so they were no longer considered to be in delinquency or default. Very low CDRs are expected for the next few years as the pandemic relief measures continue to impact the next several cohorts.

Prior to 2019, the decline in CDRs was likely due to general economic improvement (particularly the falling unemployment rate) and increased usage of flexible repayment options like income-driven repayment plans. The federal government and many institutions have renewed efforts to inform borrowers of these repayment plans, which cap monthly payments at a percentage of income and require no payments below a certain income threshold.

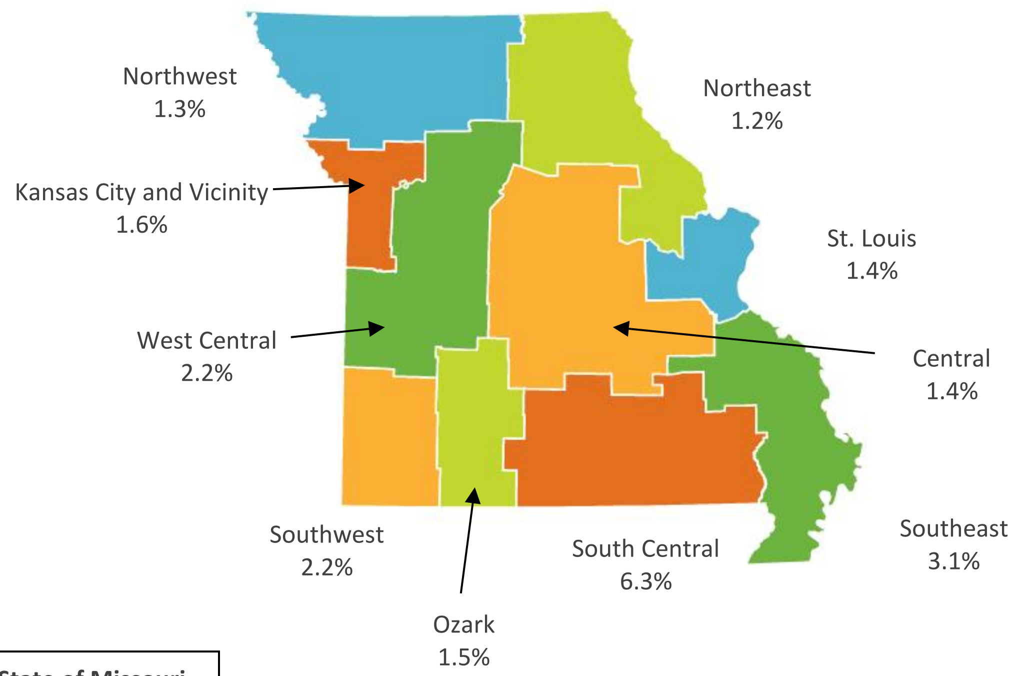
*A three-year cohort default rate is the percentage of student borrowers with loans entering repayment in a given fiscal year who default on their obligations during that given fiscal year or in the next two fiscal years that follow. The FY 2019 cohort default rate, for example, is based on student borrowers who entered repayment during FY 2019 and subsequently defaulted by the end of FY 2021.

**Federal Direct Loans, Federal Family Education Loan Program (FFELP) loans held by the U.S. Department of Education, Federal Perkins Loans held by the U.S. Department of Education, defaulted FFELP loans not held by the U.S. Department of Education, and defaulted HEAL loans were eligible for the automatic loan payment pause. Ineligible loans included non-defaulted FFELP loans not held by the U.S. Department of Education, non-defaulted HEAL loans, Federal Perkins Loans not held by the U.S. Department of Education, and private student loans.

Source: U.S. Department of Education, Fiscal Year Three-Year Official Cohort Default Rates, Washington, D.C., 2022; Payment Pause Eligibility: U.S. Department of Education, COVID-19 Loan Payment Pause and 0% Interest. (https://studentaid.gov/announcements-events/covid-19/payment-pause-zero-interest#which-loans-eligible).

Missouri Three-year Cohort Default Rates Vary by Region

Three-year Cohort Default Rates*
(FY 2019)



State of Missouri
1.6%

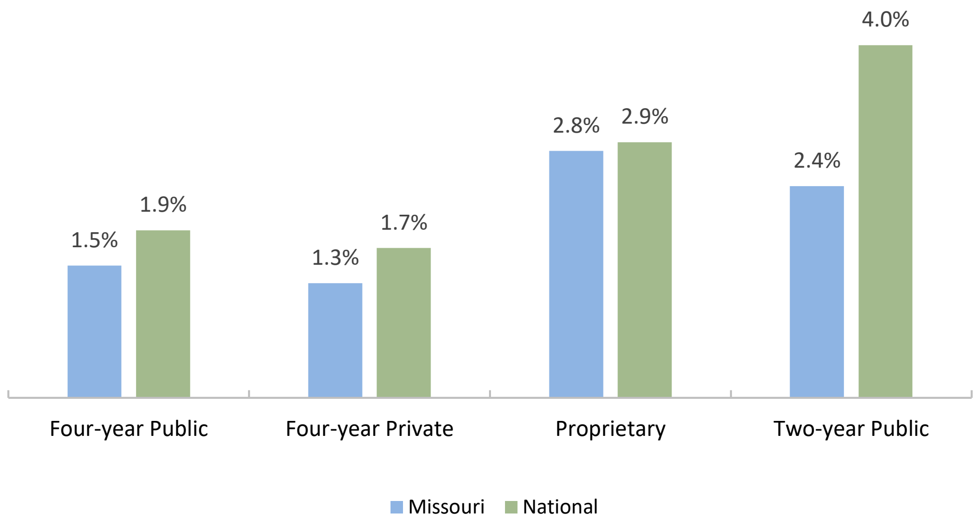
The overall Fiscal Year (FY) 2019 three-year cohort default rate (CDR) for Missouri was 1.6 percent (compared to 6.3 percent in FY 2018). Missouri's FY 2019 CDR was 0.7 percentage points lower than the 2.3 default rate for the nation. Cohort default rates for FY 2019 vary substantially from region to region, from a high of 6.3 percent in the South Central region to a low of 1.2 percent in the Northeast region.

*A three-year cohort default rate is the percentage of student borrowers with loans entering repayment in a given fiscal year who default on their obligations during that given fiscal year or in the next two fiscal years that follow. For example, the FY 2019 cohort default rate is based on student borrowers who entered repayment during FY 2019 and subsequently defaulted by the end of FY 2021.

Source: U.S. Department of Education, Fiscal Year 2018 and Fiscal Year 2019 Three-Year Official Cohort Default Rates, Washington, D.C., 2022.

Short-term Programs Have Higher Three-year Default Rates

Three-year Cohort Default Rates* by School Type, FY 2019 Cohort



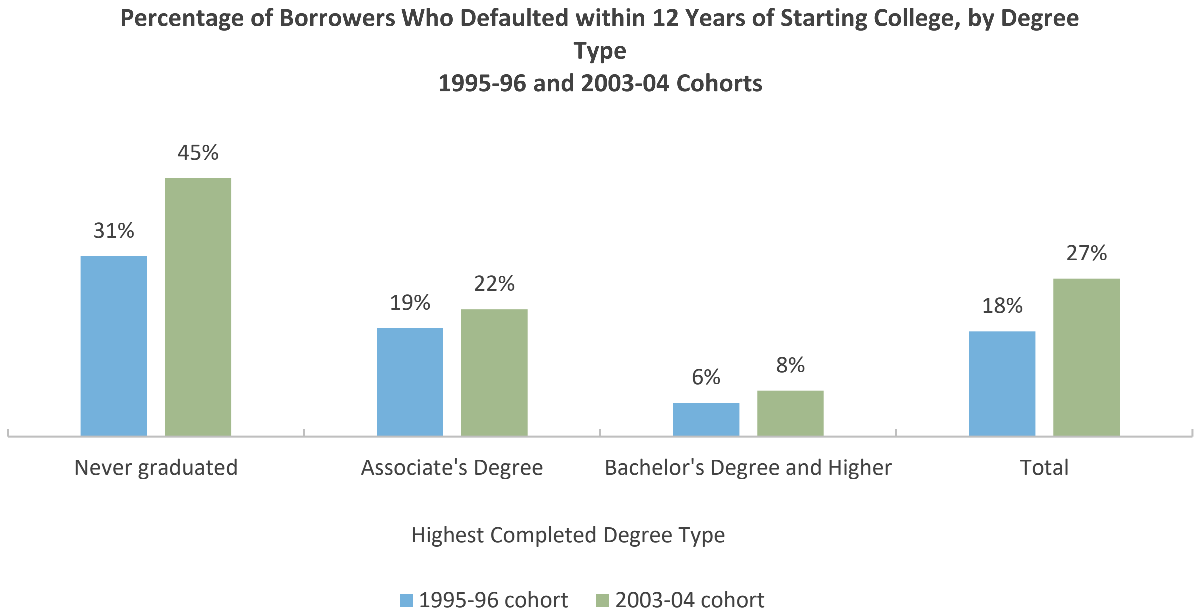
Missouri borrowers who attended short-term programs have a combined FY 2019 three-year cohort default rate (CDR) almost twice the rate of those who attended four-year schools (2.5 percent for Proprietary and Two-year Public combined, and 1.4 percent for Four-year Public and Four-year Private combined). Although some Missouri proprietary schools offer bachelor's degrees or higher, most offer short-term programs exclusively. At 2.8 percent, the highest FY 2019 three-year CDR is for the proprietary sector, followed by the two-year sector with a 2.4 percent CDR.

Short-term programs have higher CDRs than four-year institutions for several reasons. For example, borrowers from short-term programs are more likely to have risk factors for dropping out of school, such as attending school part time, working full time, and having a low family income. Also, post-college earnings tend to be lower for graduates of short-term programs compared with graduates of four-year schools, making repayment more challenging.

*A three-year cohort default rate is the percentage of student borrowers with loans entering repayment in a given fiscal year who default on their obligations during that given fiscal year or in the next two fiscal years that follow. The FY 2019 cohort default rate, for example, is based on student borrowers who entered repayment during FY 2019 and subsequently defaulted by the end of FY 2021.

Source: Cohort Default Rates: U.S. Department of Education, Fiscal Year 2019 Official Cohort Default Rates, Washington, D.C., 2022; Proprietary School Program Length: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS) 2021 (http://nces.ed.gov/ipeds); All Other: U.S. Department of Education, National Center for Education Statistics, "National Postsecondary Student Aid Study (NPSAS) 2016" (http://www.nces.ed.gov/das/).

Borrowers With Some College, No Degree Often Have Difficulty Repaying Loans



Most who track student loan default rates focus on the official three-year cohort default rate. Yet there is value in better understanding student loan repayment from a more long-term perspective. The National Center for Education Statistics has produced a data base which approximates this broader view of repayment. Approximately 31 percent of all student borrowers who first started their postsecondary education in the 1995-96 academic year and did not graduate had defaulted sometime during the 12 years after first starting college. The default rates for associate's degree and bachelor's degree holders were much lower. Just under six percent of borrowers who earned a bachelor's degree or higher had defaulted on their loans in the 12-year timeframe.

In contrast, the default rates for borrowers who first started college in the 2003-04 academic year were higher across all categories, particularly among those who never graduated. The 2007-08 economic recession that hit many of those borrowers early in their work life made repayment difficult. Those with less education have higher unemployment rates than those with more, and this was certainly true during and following the recession.

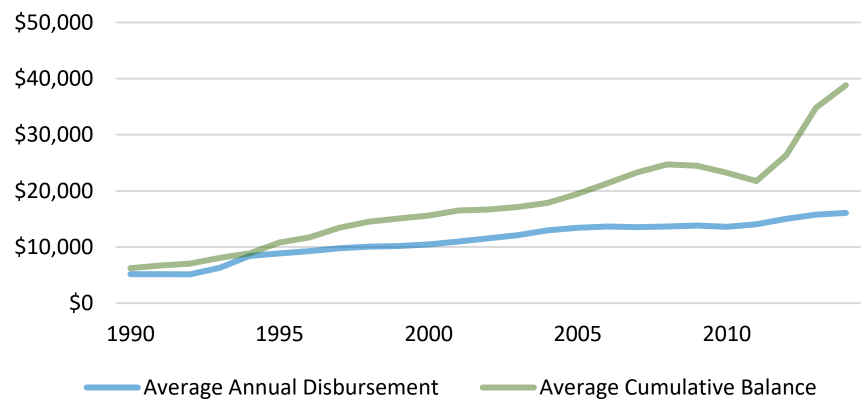
When the timeframe for tracking the 1995-96 cohort was extended from 12 to 20 years, tracking borrowers from 1995-96 to 2015-16, 25.4 percent of all student borrowers had defaulted at some point during those 20 years. Unfortunately, the more recent 2003-04 cohort has already exceeded that rate at just the 12-year mark, with 27 percent of all borrowers defaulting at some point during those 12 years.

Sources: Default Rates: U.S. Department of Education, National Center for Education Statistics, Repayment of Student Loans as of 2015 Among 1995-96 and 2003-04 First-Time Beginning Students, October 2017 (https://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2018410); Risk Factors: U.S. Department of Education, National Center for Education Statistics, "National Postsecondary Student Aid Study (NPSAS) 2012" (http://www.nces.ed.gov/das/); Unemployment Rates: Bureau of Labor Statistics. "Employment Status of the Civilian Population 25 Years and Over by Educational Attainment," March 2018 (https://www.bls.gov/news.release/empsit.t04.htm).

Parents Struggle to Repay as Parent PLUS Borrowing Increases

The Federal Direct PLUS for parents (PLUS) loan program has become an increasingly popular financing option as college costs rise beyond what many families are able to afford. Parents are able to borrow potentially large amounts of money with only a modest check for adverse credit, meaning that some parents may borrow more than they can reasonably be expected to pay back. Average annual and cumulative borrowing in this program has grown sharply since the original annual and lifetime maximum limits were removed in 1993.

Average Parent PLUS Borrowing, 1990 to 2014
In 2014 Dollars



Trellis used its extensive portfolio of Federal Family Education Loan Program loans to conduct a study of 59,096 parent borrowers who entered into repayment on their loans between October 1, 2004 and September 30, 2010. The analysis found that after seven years in repayment, about eight percent of parent borrowers had defaulted, seven percent had not seen a reduction in their principal balance, and about 75 percent were successfully repaying, meaning they had reduced their principal balance by at least one dollar.

Repayment Category		Percent
Successfully Repaying	Uninterrupted Payments	45%
	Had Deferment, Forbearance, and/or Delinquency	23%
	Had Delinquency Only	7%
Default	Had Deferment, Forbearance, and/or Delinquency	5%
	Had Delinquency Only	3%
No Reduction in Principal Balance		7%
Consolidation		12%

Note: See section 6, pages 44 and 45, for data on Parent PLUS borrowing rates and cumulative totals.

Source: Average borrowing chart: Looney, A. and Lee, V. on Brookings Institution, Parents are borrowing more and more to send their kids to college – and many are struggling to repay, November 2018 (https://www.brookings.edu/research/parents-are-borrowing-more-and-more-to-send-their-kids-to-college-and-many-are-struggling-to-repay/); Fletcher, C., Webster, J., and Di, W., PLUS Borrowing in Texas: Repayment Expectations, Experience, and Hindsight by Minority-Serving Institution Status, January 2020 (https://www.trelliscompany.org/wp-content/uploads/2020/01/parent-plus-borrowing-study.pdf).

SECTION 12

Missouri Higher Education and Student Debt Policy

Higher Education Plan in Missouri

In 2019, the Missouri Department of Higher Education, the Division of Workforce Development, and the Missouri Economic Research and Information Center consolidated into one agency -- the Missouri Department of Higher Education and Workforce Development (MDHEWD). Two years later the department developed education and workforce goals and strategies. The new plan, called Building Missouri's Future, will guide the work of the department for the next three to five years. The "big goal" for the state is to make Missouri the best in the Midwest in educational attainment and workforce participation by 2030.

Building Missouri's Future: Targets and Status as of December 2022

		Current Target	Current Status	Change Needed
Best in the Midwest	Educational Attainment	60%	47%	243,000 more degrees and certificates than current trend
	Labor Force Participation	70%	63%	327,000 more Missourians working

		Current Target	Current Status
Equity	Educational Attainment		
	Black	60%	28.4%
	Hispanic	60%	28.9%
	Rural	60%	28.7%
	Labor Force Participation		
	Black	70%	60.4%
	Hispanic	70%	73.5%
	Rural	70%	57.0%

The Building Missouri's Future plan has three major themes related to higher education:

- Access – Removing barriers to enrollment and employment
- Success – Supporting learners and workers through a holistic lens
- Affordability – Identifying resources and creating opportunities

Each year the MDHEWD will identify strategic initiatives for each of these themes. These initiatives aim to improve educational attainment and labor force participation. The 2022 strategic initiatives include promoting higher education to workforce pathways, developing an adult learner network, expanding specific programs and mental health resources for students, and developing or expanding childcare facilities on campuses.

Sources: Missouri Department of Higher Education and Workforce Development. Building Missouri's Future: A strategic plan to provide pathways and reduce barriers to educational attainment and workforce participation, December 2021 (https://dhewd.mo.gov/documents/StrategicPlan2021.pdf); Missouri Department of Higher Education and Workforce Development, Higher Education Factbook, February 2022 (https://dhewd.mo.gov/data/documents/factbook-2022.pdf); Missouri Department of Higher Education and Workforce Development, Annual Report 2021: Fiscal Year 2021 Overview (https://dhewd.mo.gov/about/documents/AnnualReportFY2021.pdf); December Update: Missouri Department of Higher Education and Workforce Development, Department Strategic Plan Update, December 7, 2022 (https://dhewd.mo.gov/cbhe/boardbook/documents/Tab9--DepartmentStrategicPlanUpdate.pdf).

Funding for Missouri's Largest Grant Programs Increased From FY 2021 to FY 2022

Funding for the largest grant programs in Missouri increased between Fiscal Year (FY) 2021 and FY 2022. Higher education in Missouri will see additional increases in the FY 2023 budget, with an increase of about five percent in higher education funding across the state to attempt to defray some of the cost increases the state has experienced recently due to inflation. The FY 2023 budget includes fully funding the Access Missouri Financial Assistance Program, as well as increased funding to expand the Bright Flight Program and additional funding from lottery proceeds to support the A+ Scholarship Program.

Two of the grant programs are expected to fund larger numbers of students due to recent adjustments to the eligibility requirements. The Bright Flight Program will be expanded to fully fund the top three percent of ACT test takers at $3,000 per award. Any additional funding will be available for students who scored in the fourth or fifth percent, for an award of up to $1,000. For the Access Missouri Financial Assistance Program, the expected family contribution ceiling was raised temporarily from $12,000 to $15,000, which will expand the number of students eligible for funding.

The Fast Track Incentive program, first established in 2019, is being expanded via senate bill 672 to include a wider range of training programs and apprenticeships. The bill also repeals a prior provision that allows for the grant to be converted into a loan under certain conditions.

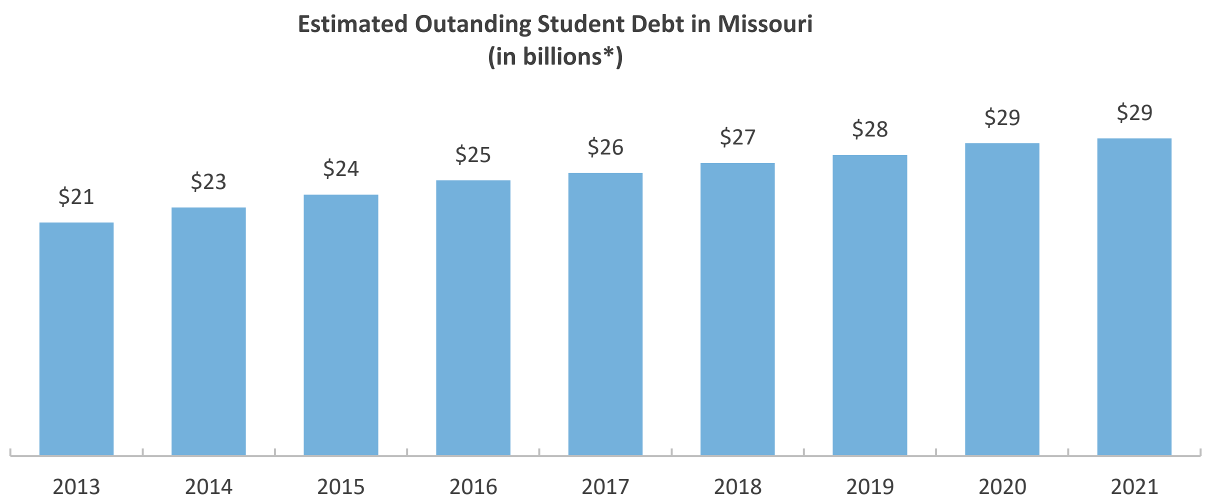
Major Missouri Financial Aid Programs
Appropriated Funds by State Program for FY 2021 and FY 2022

	FY 2021	FY 2022
Bright Flight Program	$20,176,666	$25,576,666
Access Missouri Financial Assistance Program	$76,960,000	$79,460,000
A+ Scholarship Program	$42,700,000	$55,900,000
Fast Track Incentive Grant	N/A	$6,200,000

Sources: Missouri Budget Project, FY 2022: An introduction to Missouri's higher education services and funding (https://www.mobudget.org/wp-content/uploads/2022/03/Higher-Ed-2022-Budget-Primer.pdf); Missouri Budget Project, FY 2021: An introduction to Missouri's higher education services and funding (https://www.mobudget.org/wp-content/uploads/2021/02/Higher-Ed-2021-Budget-Primer.pdf); Missouri Department of Higher Education and Workforce Development, Bright Flight increase to include awards for 4th and 5th percentile for first time in program's history, July 8, 2022 (https://dhewd.mo.gov/newsapp/newsitem/uuid/aa481fc8-da10-4df8-91ac-9deca22cbb0d); Missouri Office of Administration, Appropriation Bills (Fiscal Year 2023) by Department, House Bill 3 Includes funding for the Department of Higher Education, Fact Sheet (https://oa.mo.gov/sites/default/files/FY_2023_HB_3_TAFP_Fact_Sheet.pdf); News-Press NOW, Missouri Budget Gives Higher Education 5.1% Raise, July 3, 2022 (https://www.newspressnow.com/news/local_news/education/missouri-budget-gives-higher-education-5-1-raise/article_123b68b4-f971-11ec-9945-b7620692cbf2.html); News Tribune, Missouri Preparing for Increase in Student Financial Aid Awards, August 31, 2022 (https://www.newstribune.com/news/2022/aug/31/state-preparing-for-increase-in-student-financial/); Missouri Senate, Current Bill Summary, SB 672 (https://www.senate.mo.gov/22info/BTS_Web/Bill.aspx?SessionType=R&BillID=71259705).

Student Loan Debt in Missouri Grows Faster Than the U.S.; Reaches $29 Billion

Rising national student loan debt has garnered much attention for several years. As of December 31, 2021, the total volume of outstanding student loan debt in the United States was estimated at $1.57 trillion, representing an increase of about $20 billion over the previous year. As of the end of 2021, the estimated outstanding student loan volume in Missouri was about $29 billion, up about 1.6 percent from the previous year compared to 1.3 percent growth nationally. The growth rate of Missouri student loan debt has only exceeded the U.S. rate for the past two years. Prior to that, the growth rate in Missouri was lower compared to the U.S. In 2013, Missouri borrowers held about 1.99 percent of U.S. student loan debt; in 2021, Missouri borrowers held about 1.85 percent.



While the growth rate of Missouri student loan debt currently exceeds the overall U.S. growth rate, both rates have slowed somewhat in recent years. Missouri added less than half a billion dollars in 2021 compared to over a billion dollars in prior years. For the U.S., absolute debt growth of about $50 billion annually since FY 2018 (and only $20 billion from 2020 to 2021) has been smaller than usual, such that the annual percentage growth has declined even more quickly.

At the state and national level, most of the outstanding student loan debt comes from federal loans, including Federal Family Education Loans (FFEL)**, Federal Direct Loans, and Federal Perkins Loans. Private and state-level education loans, which generally do not provide accommodations like income-linked repayment plans, deferments, or forgiveness, accounted for about 12 percent of student loans borrowed in AY 2020-21.

*Estimates are based on state-level per capita student debt averages from the Federal Reserve Bank of New York Consumer Credit Panel, which excludes persons without credit reports and persons living in counties where fewer than 10,000 people have credit reports. The result for a given year is adjusted by the same factor by which the result of this methodology for the United States as a whole deviates from the United States total outstanding student debt for that year as reported in the Quarterly Report on Household Debt and Credit.

**The FFEL Program ended in 2010, but borrowers are still making payments on outstanding FFEL balances.

Note: This data includes all student loans, including those borrowed by graduate students. In Fall 2021, about 22 percent of Missouri's students enrolled in higher education were graduate students, compared to about 17 percent nationally.

Sources: U.S. Student Loan Debt Estimate: Federal Reserve Bank of New York (FRBNY), Quarterly Report on Household Debt and Credit, 2021:Q4 (https://www.newyorkfed.org/microeconomics/hhdc/background.html), Missouri Student Loan Debt Estimate: FRBNY, Household Debt and Credit Statistics by State (https://www.newyorkfed.org/microeconomics/databank.html); Non-federal borrowing: College Board. Trends in Student Aid 2021 (https://trends.collegeboard.org/student-aid/figures-tables/total-federal-and-nonfederal-loans-over-time); Percent of Graduate Students: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS) 2021 (http://nces.ed.gov/ipeds/).