

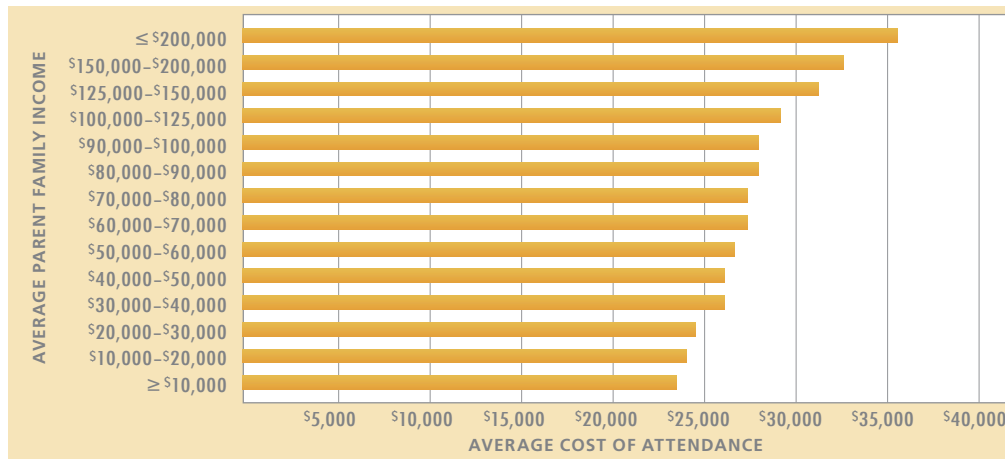
HIGHER EDUCATION EQUITY INDICATORS IN THE UNITED STATES

The Pell Institute for the Study of Opportunity in Higher Education and the Alliance for Higher Education and Democracy (AHEAD) at the University of Pennsylvania recently released “Indicators of Higher Education Equity in the United States” (<http://www.pellinstitute.org/indicators/>), a report that provides data on several indicators, including family characteristics, how students pay for college, and the types of colleges students attend.

The report found that average college costs were 2.5 times higher in 2015–16 than they were in 1974–75. However, the median family income in which one household member is over the age of 25 is only 1.3 times higher. As college costs continue to rise, it is important to understand the impact these costs have on student enrollment.

A disparity exists in the average costs of attendance across family income categories. The average annual cost of attendance ranges from \$23,840 for students with annual family incomes below \$10,000, to \$35,319 for students from families with incomes above \$200,000. This suggests that students from lower-income families, on average, attend lower-cost colleges and universities. Cost of attendance is calculated based on the estimated costs of tuition and fees, room and board, and transportation for a full-time student before considering financial aid contributions.

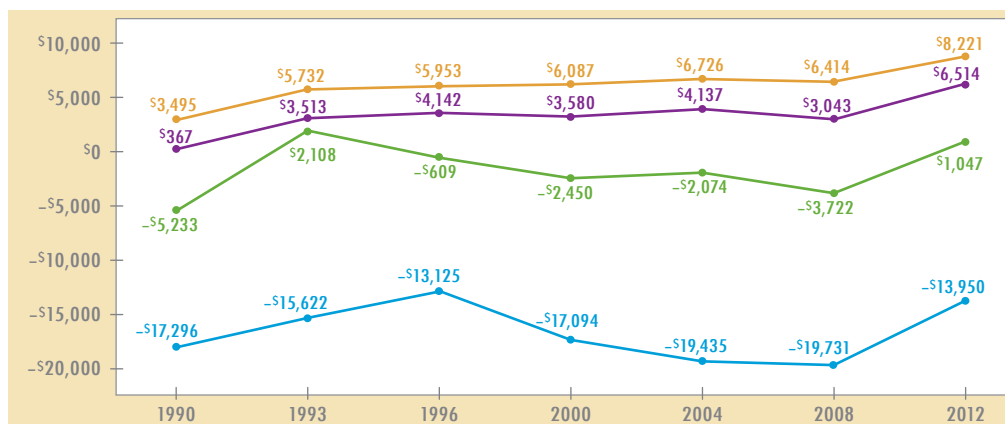
Average Cost of Attendance for Dependent Students by Parents’ Family Income, 2012



Source: http://pellinstitute.org/downloads/publications-Indicators_of_Higher_Education_Equity_in_the_US_2017_Historical_Trend_Report.pdf.

Data suggest that between 1990 and 2012, average unmet financial need more than doubled for students in the lowest family income quartile. In fact, in 2012, dependent full-time undergraduates in the lowest family income quartile had an average unmet need of \$8,221, compared with the average surplus of \$13,950 enjoyed by students in the highest income quartile. Unmet need is defined as financial need after expected family contribution and all discounts and grants are subtracted from the average cost of attendance.

Unmet Financial Need of Dependent Full-Time Undergraduates by Parents’ Family Income, 1990–2011



Source: http://pellinstitute.org/downloads/publications-Indicators_of_Higher_Education_Equity_in_the_US_2017_Historical_Trend_Report.pdf.