Higher Education and Public Policy

Western Academic Leadership Forum

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Federal Policy/Higher Education in the Last Decade

- Enrollment up
- Federal student aid increasing
- Price of college growing rapidly
- Student debt up
Federal Policy/Higher Education in the Last Decade

• Loan defaults increasing
• Number of graduates up
• Graduation rates flat
• Government regulation way up
Enrollment growing

Public, 2-yr, 49%
Public, 4-yr 24%
Private, 4-yr, 31%

99-00 '01-'02 '03-'04 '05-'06 '07-'08 '09-'10
More Degrees Awarded

- 99-00
- '01-'02
- '03-'04
- '05-'06
- '07-'08
- '09-'10

- Certificate
- AA
- BA
Federal Student Aid Increases Sharply

Federal aid includes ONLY grants and loans.
Price of College Increases

-10% 10% 30% 50% 70% 90%

99-00 '01-'02 '03-'04 '05-'06 '07-'08 '09-'10

Health insurance
Public, 4-yr
Medical Care
Prescription Drugs
For-profit
Private, 4-yr
Public, 2-yr
New Car
Housing
Median Income

Leadership and Advocacy
American Council on Education™
Cumulative Student Debt Rising

Average Debt Per Borrower (Private), $28,100

Average Debt Per Borrower (Public), $22,000
Default Rates Rising

Cohort Default Rate

1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009

Public 2-yr  Public 4-yr  Private 4-yr  For-Profit  Overall

- 15.0%
- 11.9%
- 8.8%
- 5.2%
- 4.5%

1999: 11.9%
2000: 11.9%
2001: 9.3%
2002: 8.8%
2003: 8.8%
2004: 5.6%
2005: 4.6%
2006: 3.7%
2007: 3.7%
2008: 4.5%
2009: 5.2%
Graduation Rates Flat

- Public, 4-yr: 53%
- Private, 4-yr: 64%

Graph showing graduation rates from '00-'01 to '07-'08.

- '00-'01: 52%
- '01-'02: 63%
- '02-'03: 63%
- '03-'04: 63%
- '04-'05: 63%
- '05-'06: 63%
- '06-'07: 63%
- '07-'08: 63%

Private, 4-yr: 64%
Public, 4-yr: 53%
Government Regulation Way Up

- 150 + new regulations in 2008 reauthorization

- Obama Administration
  - Credit Hour
  - State Authorization
  - Gainful Employment

- HR 2117

- Teacher Preparation
FY 2013 Budget Proposals for Postsecondary Education

- Community College/Business partnerships to train 2 million skilled workers
- Race to the Top
- First in the World fund
- New formula for campus-based aid
FY 2013 Budget Proposals for Postsecondary Education

- Better data for families
- Student loan interest rate
- Make AOTC permanent
Reauthorization on the Horizon

• Student learning
• Institutional eligibility/accreditation
• College prices
• Pell Grant shortfall