

State of Student Aid and Higher Education in Texas

A Publication by Trellis Research

Carla Fletcher, Senior Research Analyst, Trellis Company



Trellis Company

- Nonprofit corporation, formerly TG, established in 1979
- Mission: Help student borrowers successfully repay their education loans, and promote access and success in higher education
- Strong record of research and philanthropic giving focused on improving student outcomes, assisting underserved students and families, and helping institutions navigate the changing landscape of higher education

SOSA Topics

- Demographics
- College Readiness
- Profile of Texas College Students
- Cost of Education and Sources of Aid
- Grant Aid and Net Price
- Loans
- Need and Work
- Texas College Attainment
- Student Financial Wellness
- Evidence-Based Programs and Interventions
- Consumer Debt
- Delinquencies, Defaults, and Collections
- Texas Higher Education and Student Debt Policy

SOSA Report



State of Student Aid and Higher Education in Texas

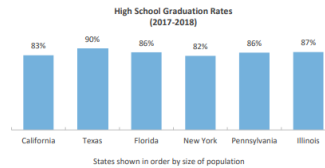
By Carla Fletcher, Allyson Cornett, and Jeff Webster
TRELLIS RESEARCH | MARCH 2021



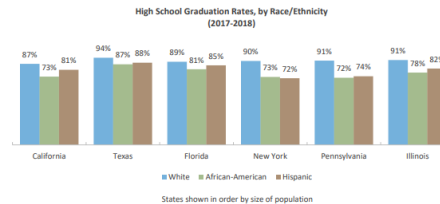
State of Student Aid and Higher Education in Texas, March 2021
Section 2: Texas College Readiness



Texas Tops the Most Populous States in High School Graduation Rates



Texas ranked third in the nation for high school graduation rates in 2017-2018, tying with five other states at 90 percent. Texas ranked highest among the six most populous states and led them in graduation rates within racial and ethnic groups. Nationally, the overall graduation rate in 2017-2018 was 85 percent.



The recent increases in high school graduation rates have been due in part to dramatic reductions in the number of "dropout factory" high schools in the past 10 years. These schools are defined as having 60 percent or less of their ninth-grade class still enrolled in their senior year. In 2002, more than 2.6 million students were enrolled in these high schools compared to less than 900,000 in 2015.

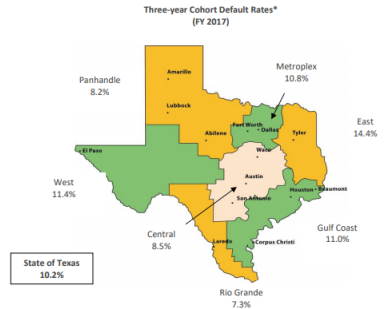
Sources: Graduation Rates: U.S. Department of Education, ED Data Express, Data about elementary and secondary schools in the U.S. (<https://eddataexpress.ed.gov/>). All else: America's Promise Alliance, 2017 Building a Great Nation Report: Progress and Challenge in Raising High School Graduation Rates (<http://theeducationamerica.org/assets/2017/BUILDING%20a%20great%20nation-report%20final%20new%20edition%20high%20schools.pdf>)

10
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State of Student Aid and Higher Education in Texas, March 2021
Section 12: Repayment and Default



Texas Three-Year Cohort Default Rates Vary by Region



The overall Fiscal Year (FY) 2017 three-year cohort default rate (CDR) for Texas was 10.2 percent (compared to 10.4 percent in FY 2016). Texas' FY 2017 CDR was 0.5 percentage points higher than the 9.7 default rate for the nation. Cohort default rates for FY 2017 vary substantially from region to region, from a high of 14.4 percent in the East Texas region to a low of 7.3 percent in the Rio Grande 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 2017 cohort default rate is based on student borrowers who entered repayment during FY 2017 and subsequently defaulted by the end of FY 2020.

Sources: U.S. Department of Education, Fiscal Year 2016 and Fiscal Year 2017 Three Year Official Cohort Default Rates, Washington, D.C., 2020.

108
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SOSA Report

State of Student Aid and Higher Education in Texas, March 2021



Table of Contents

Introduction

Section 1: Texas Demographics

Texas' Future Depends on Addressing Educational Equity.....	2
Texas Poverty Rate Declines, But Still Higher Than National Average.....	3
Texas Poverty Rates Vary Widely by Region.....	4
Texas Experiences Largest Increase in Homelessness Among Children Enrolled in School.....	5
Lack of Health Insurance Destabilizes Finances, Makes College-Going Precarious.....	6

Section 2: Texas College Readiness

Texas College Prep Test Scores Keep Pace with, But Fail to Exceed, National Average.....	8
Texas High School Students Less Prepared for College Academics.....	9
Texas Tops the Most Populous States in High School Graduation Rates.....	10
Fifteen Percent of Texans Age 25 or Older Lack a High School Diploma.....	11
Only Half of Texas High School Graduates Enroll in College Immediately after High School.....	12
Low-Income Texas High School Graduates Are Less Likely to Directly Enroll in College.....	13
Rio Grande Valley Has Highest FAFSA Completion Rates in Texas, East Texas the Lowest.....	14
The Importance of College Prep Programs in High School.....	15

Section 3: Profile of Texas College Students

Texas Undergraduates More Likely Than U.S. Undergraduates to Attend Two-Year Institutions.....	17
Nearly Half of Undergraduates in Texas Enroll in School Part Time.....	18
Most First-Year Undergraduates in Texas Attend Two-Year Institutions.....	19
Older Students Gravitate to Community Colleges and Proprietary Schools.....	20
Greater Percentages of Postsecondary Students Live Below the Poverty Line and Require More Financial Aid....	21
Over Half of Community College Students in the U.S. Had Taken Developmental Education Courses During College.....	22
Seventy-Four Percent of Students at Texas Public Universities Were Not in the Top 10 Percent of Their High School Class.....	23
First-Generation Students' Proportion of Undergraduate Enrollments Declining.....	24

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

Texas Public Four-Year University Cost of Attendance Below National Average.....	26
Texas Public Two-Year Colleges Cost Below The National Average.....	27
Costs at Texas Private Four-Year Universities Still Less Than National Average.....	28
The Cost of Going to College Continues to Rise Each Year.....	29
Living Situation Key to Staying Within Average Room and Board Budgets at Texas Public Universities.....	30
Average Tuition at Texas Public Four-Year Institutions Has Increased by 30 Percent Since 2008, Lower Than for the U.S.....	31
Nearly Two-Thirds of Student Aid Comes from the Federal Government.....	32
Nearly Half of Aid is in the Form of Loans.....	33
Texas Public Institution Students Are Most Heavily Dependent on Federal Student Aid.....	34
Students at Public Institutions in Texas Benefitted from \$785 Million in Exemptions and Waivers.....	35
States Have Increased Support for Higher Education Over the Past Five Years.....	36
Community College Total Tax Revenue Has Increased Over Time.....	37
Net Tuition Revenue for Texas Public Higher Education Has Increased 27 Percent Since the Recession.....	38
State Spending Per Public Higher Education Student is 22 Percent Lower in Texas Than It Was 10 Years Ago.....	39

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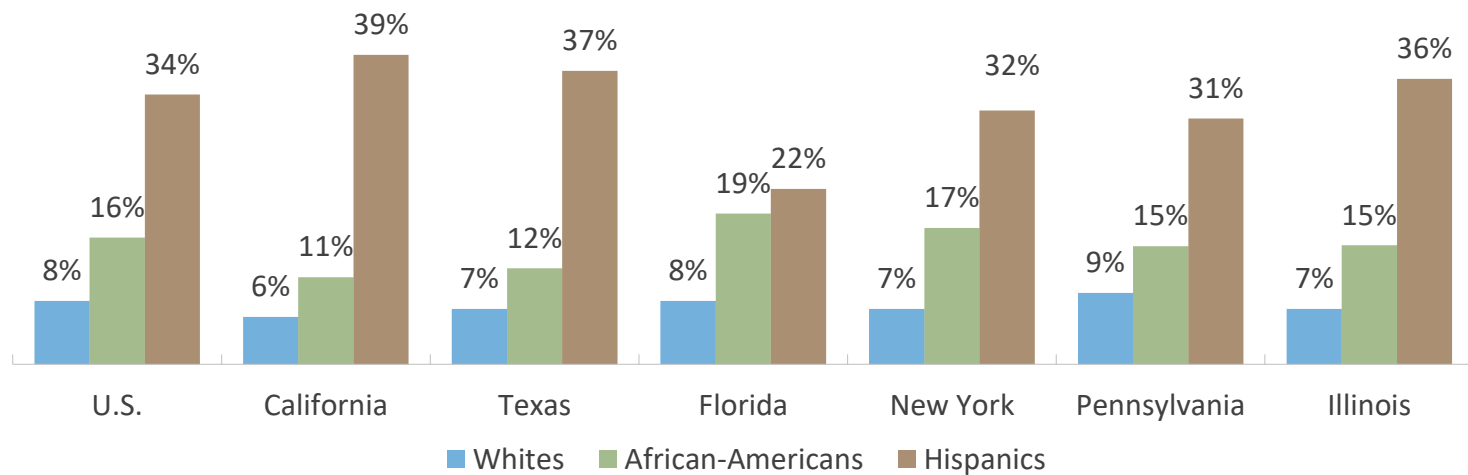
Texas Demographics:

The Importance of the Education of the Hispanic Population to the Future of Texas



High School Graduation

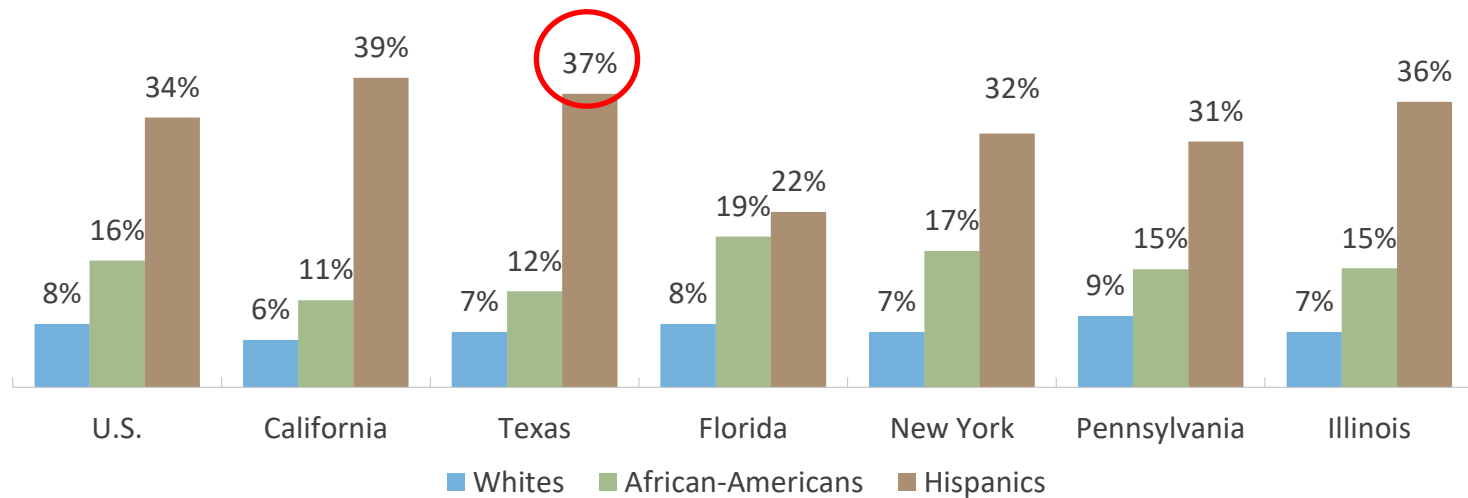
**People Age 25 and Older Who Have Not Finished High School
(2018)**



States shown in order by size of population

High School Graduation

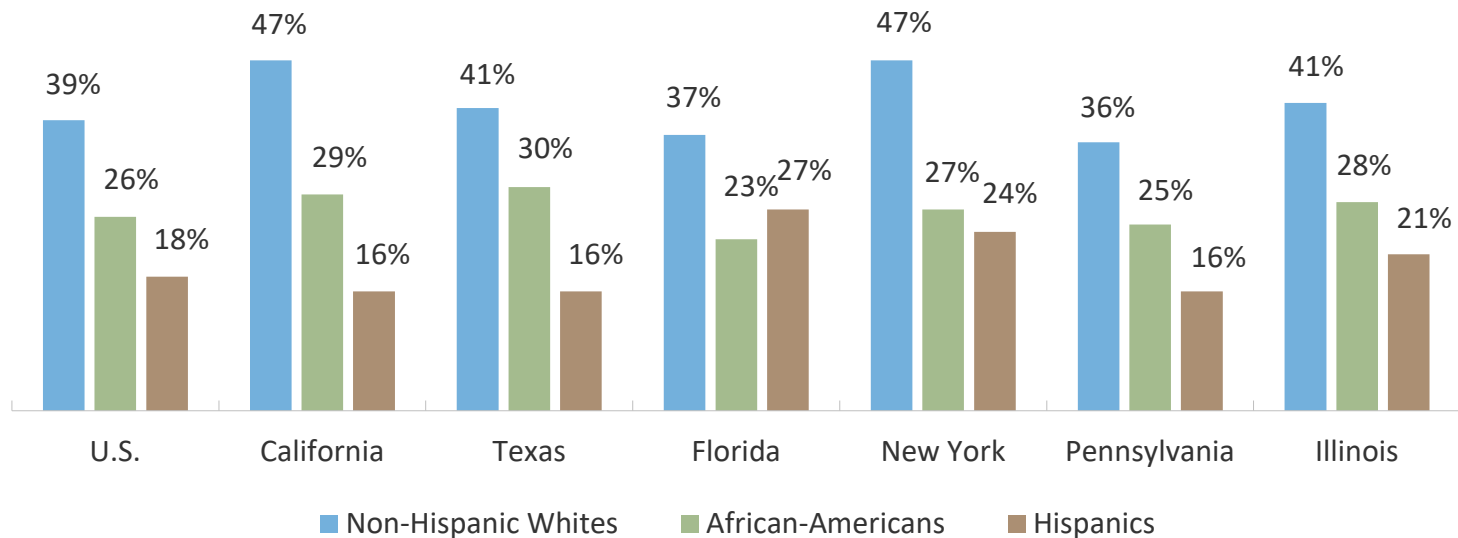
People Age 25 and Older Who Have Not Finished High School
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College Attainment

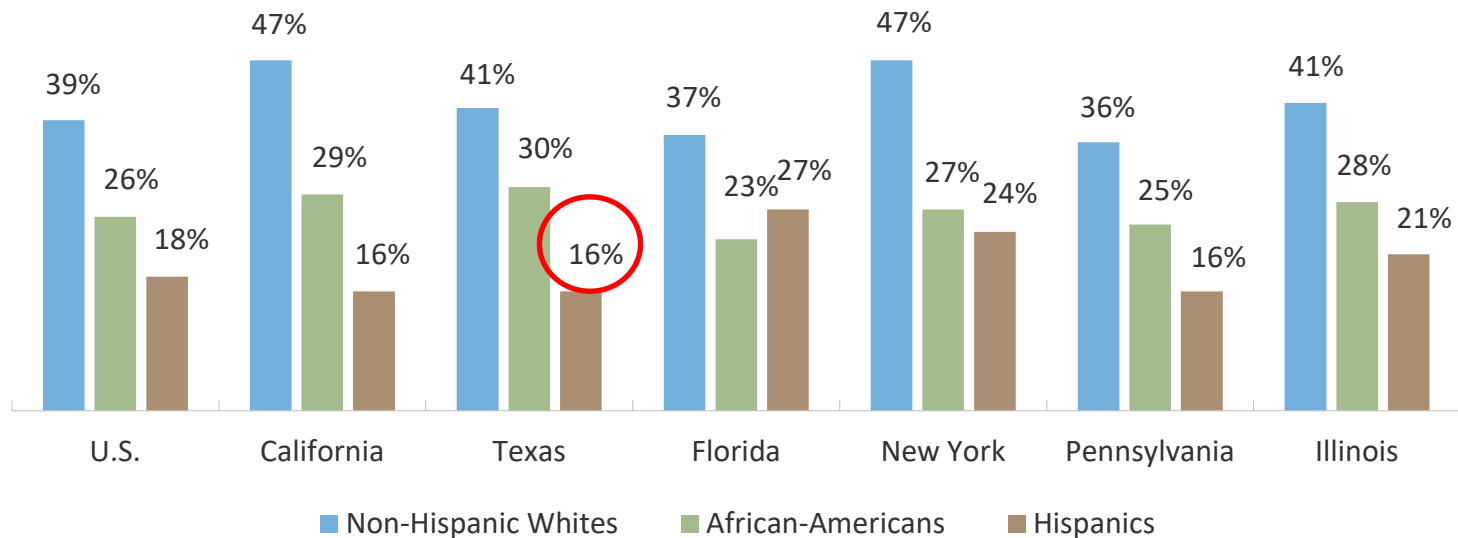
**Population Age 25 and Older with a Bachelor's Degree or Higher
by Race/Ethnicity (2018)**



States shown in order by size of population

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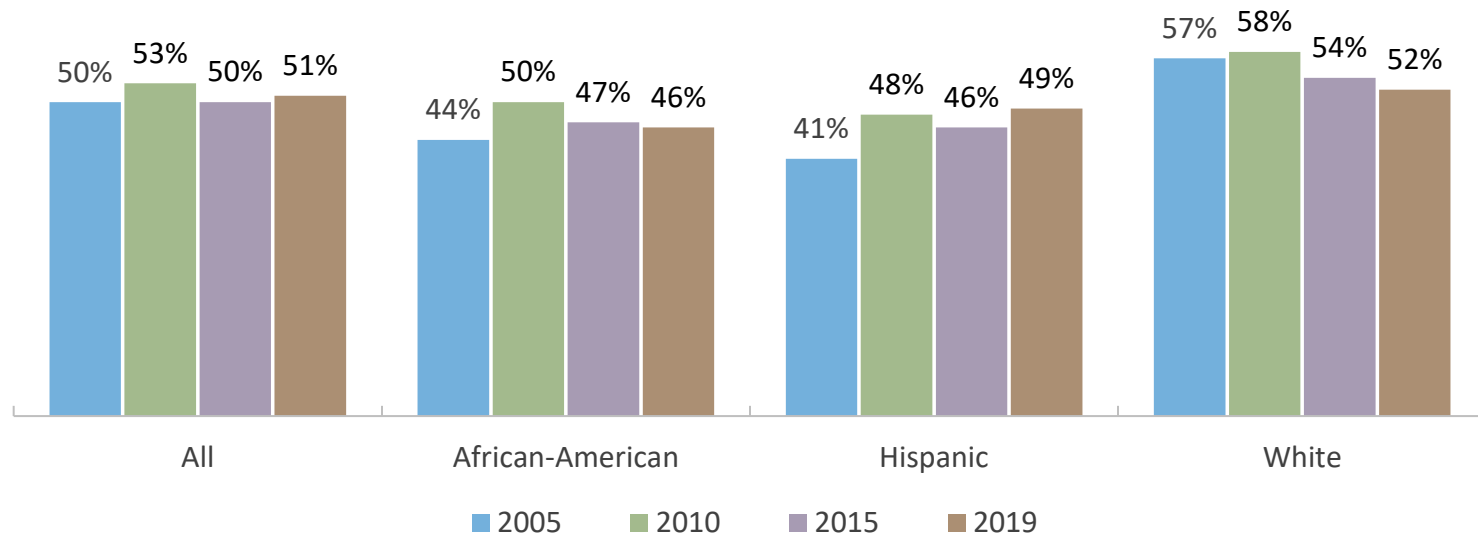
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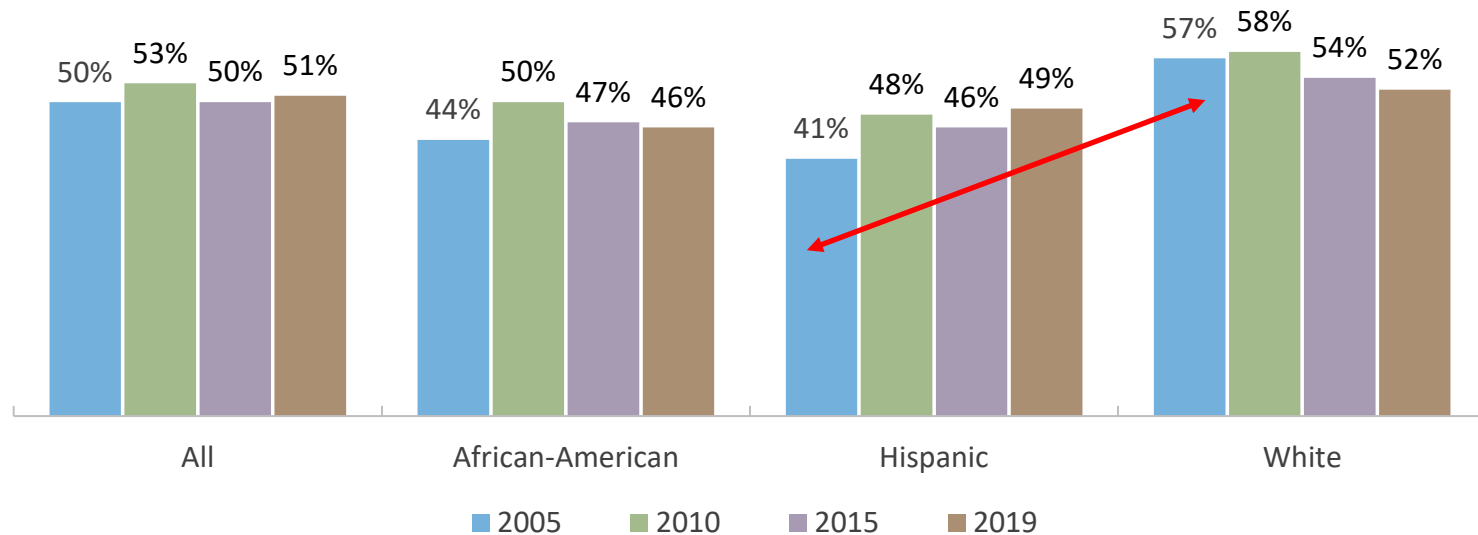
College Enrollment

Percentage of Texas High School Graduates Enrolling in College Immediately after Graduation



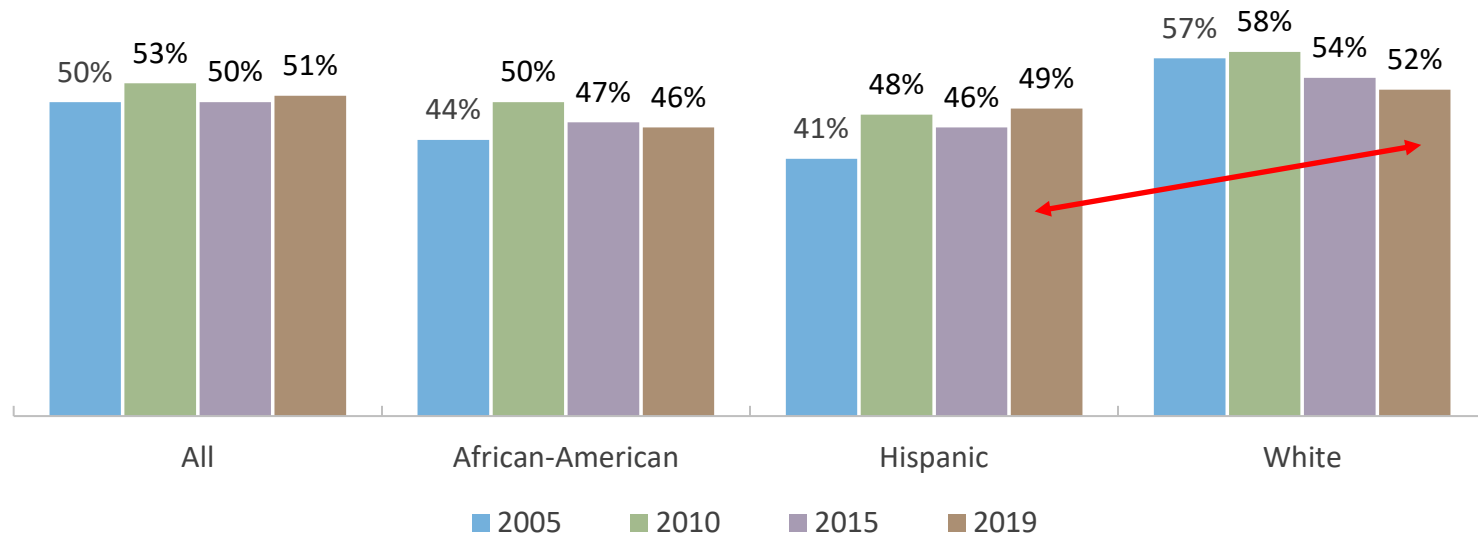
College Enrollment

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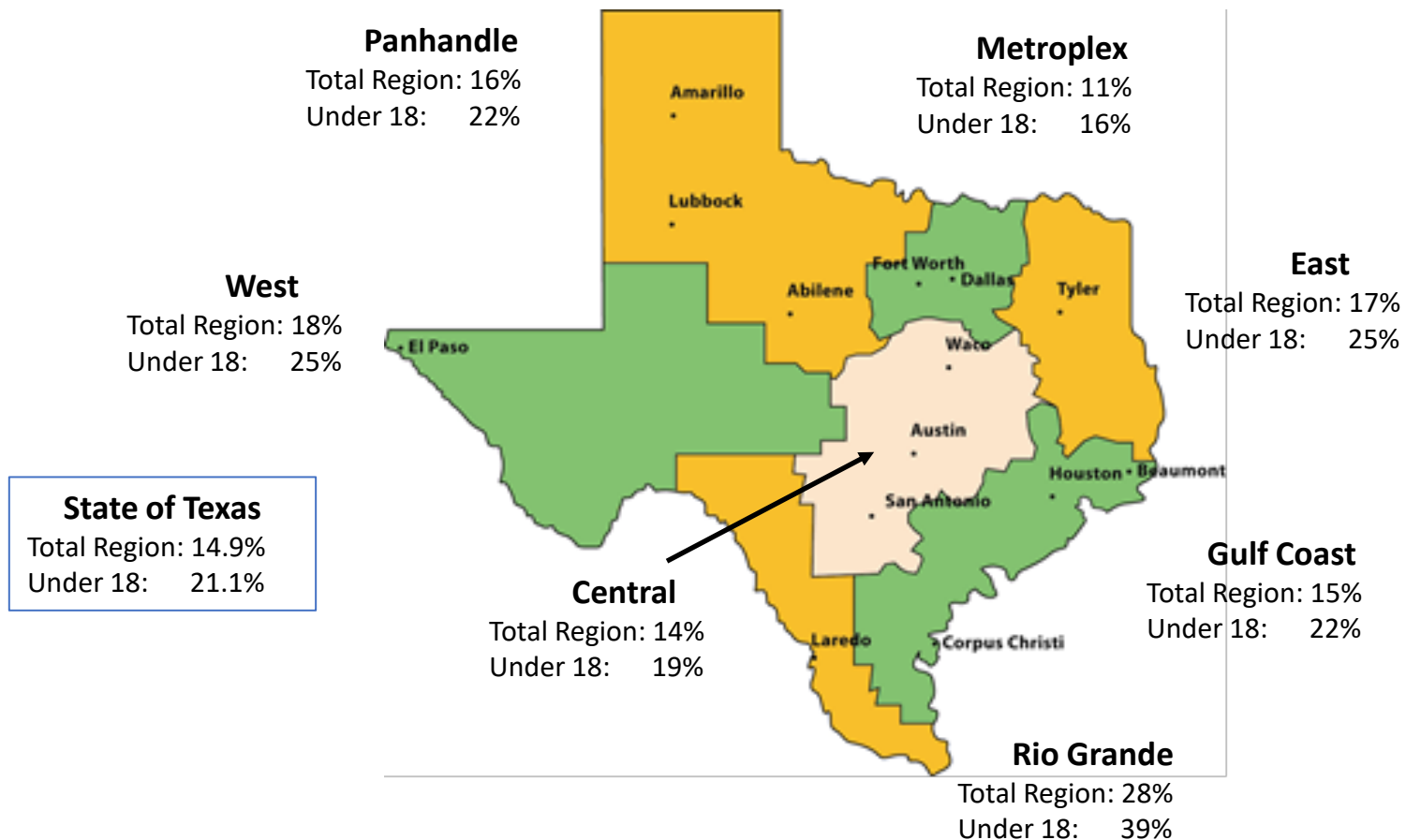


College Enrollment

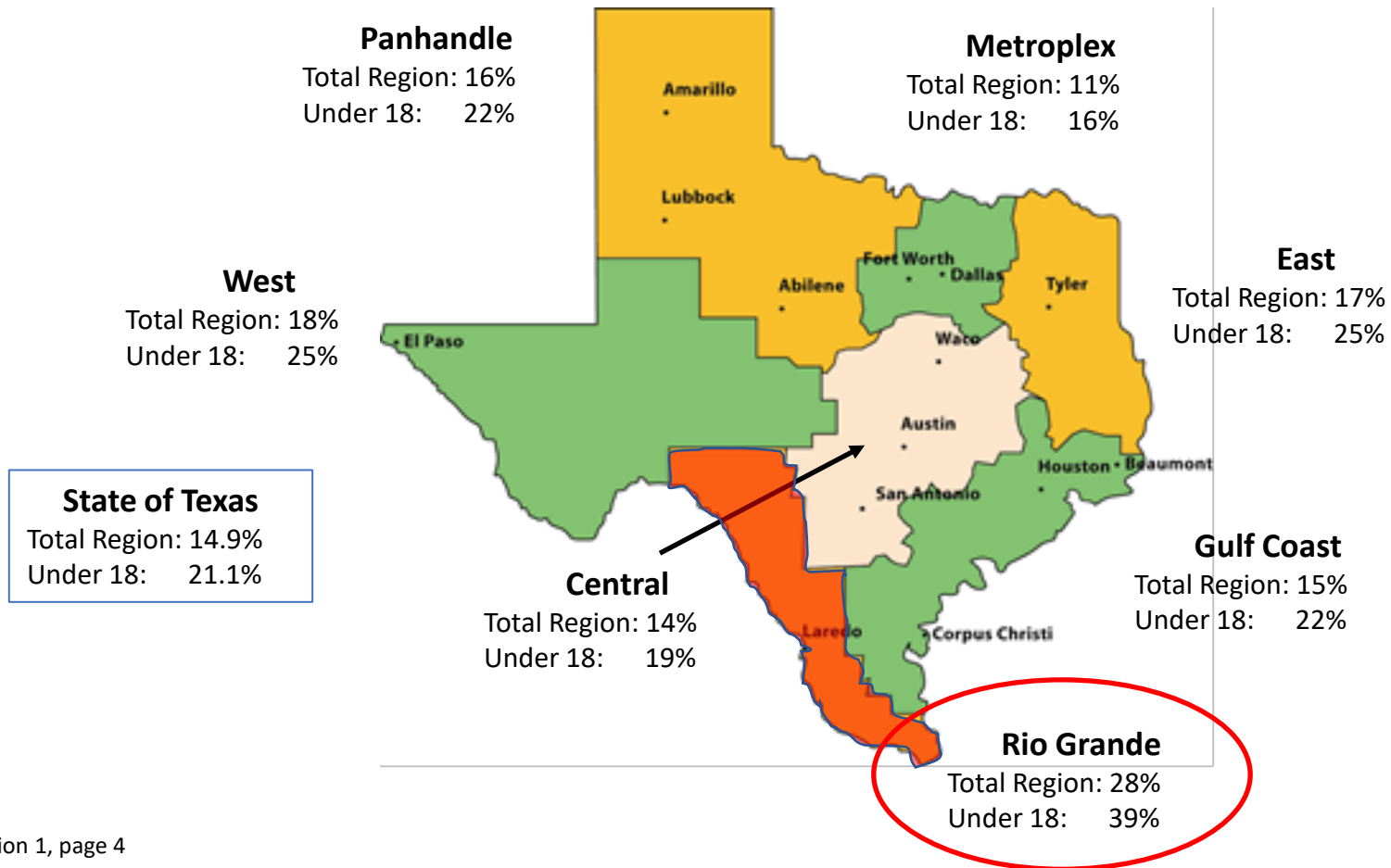
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Poverty in Texas

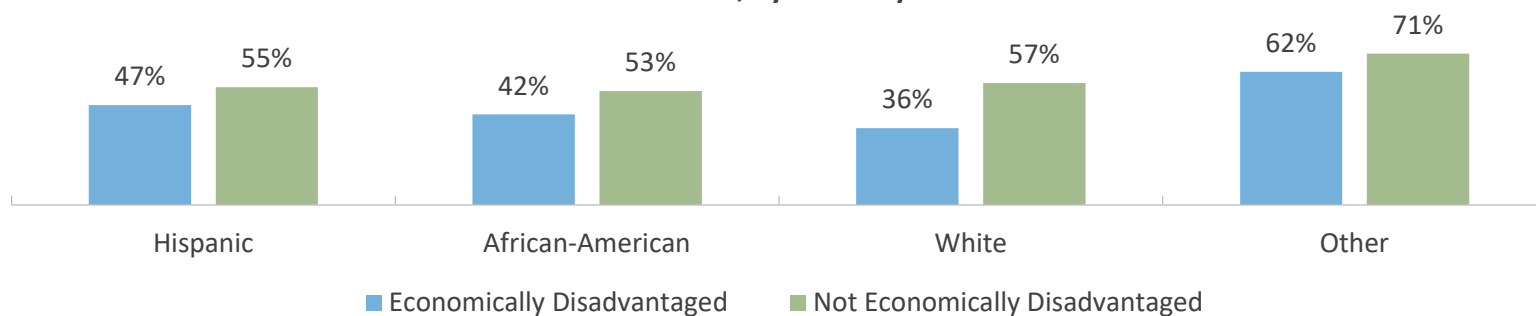


Poverty in Texas

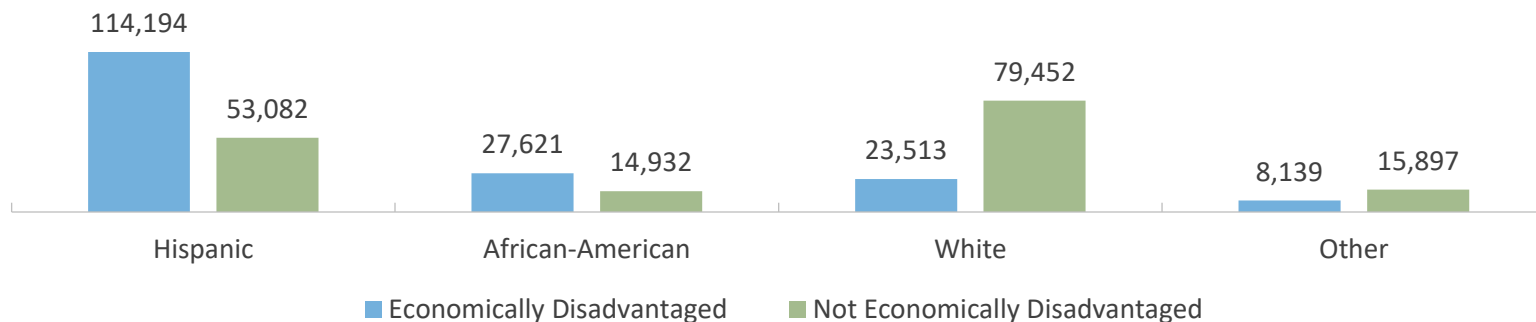


Low-Income High School Graduates

Percentage of 2018-2019 Texas High School Graduates Enrolled in Texas Higher Education in Fall 2019, by Ethnicity

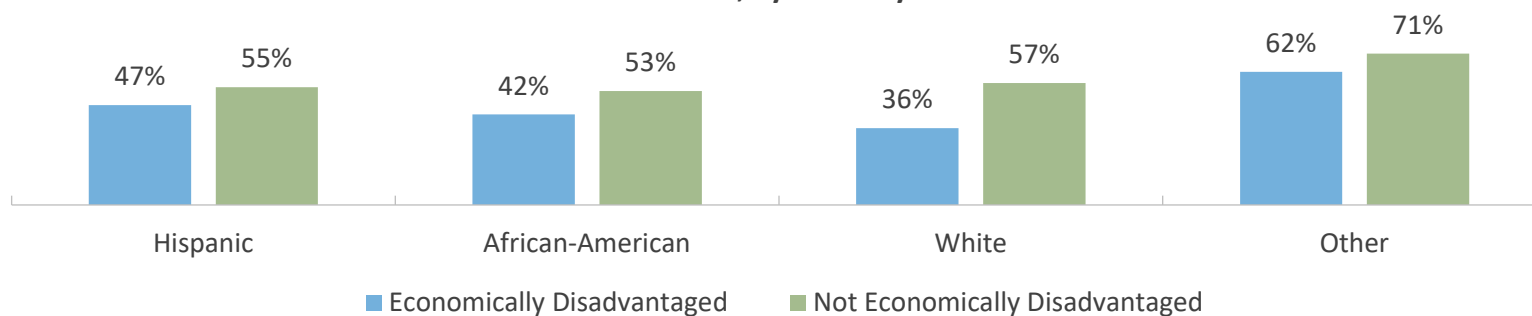


Number of 2018-2019 Texas High School Graduates, by Ethnicity

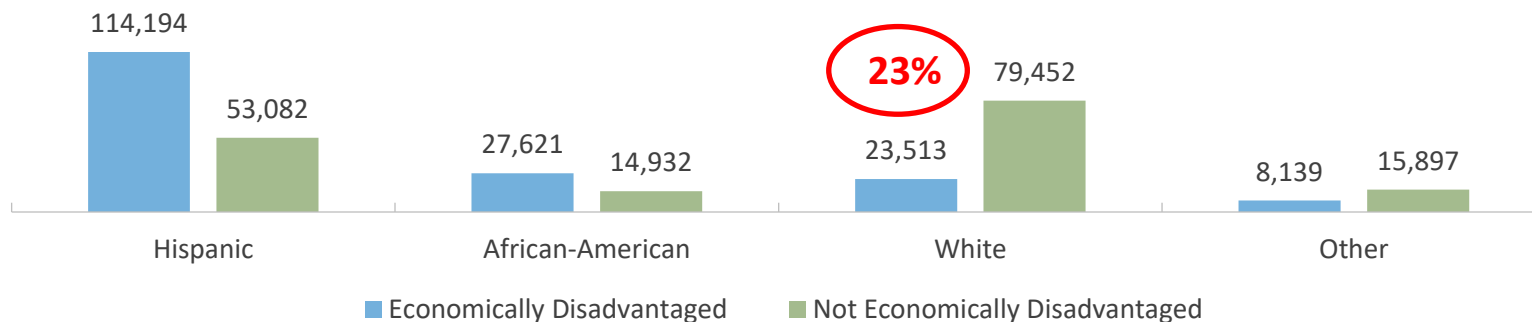


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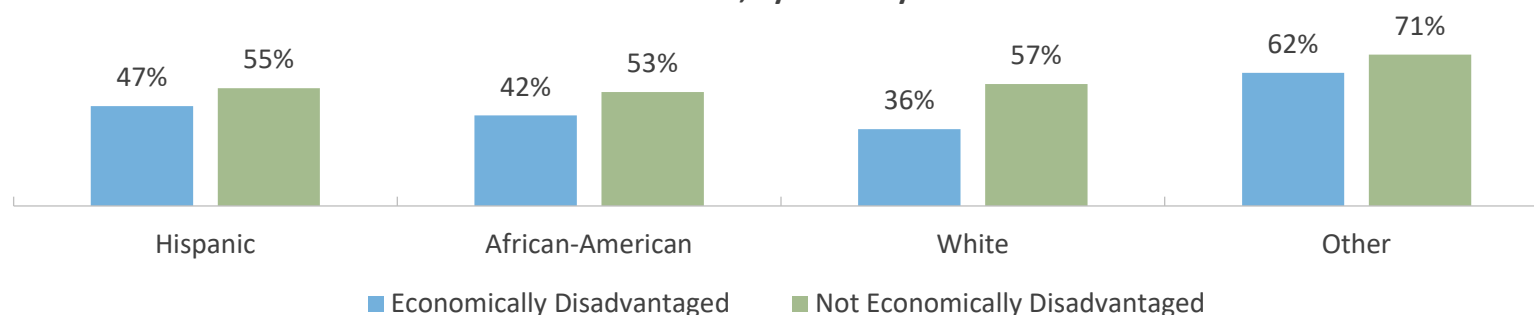


Number of 2018-2019 Texas High School Graduates, by Ethnicity

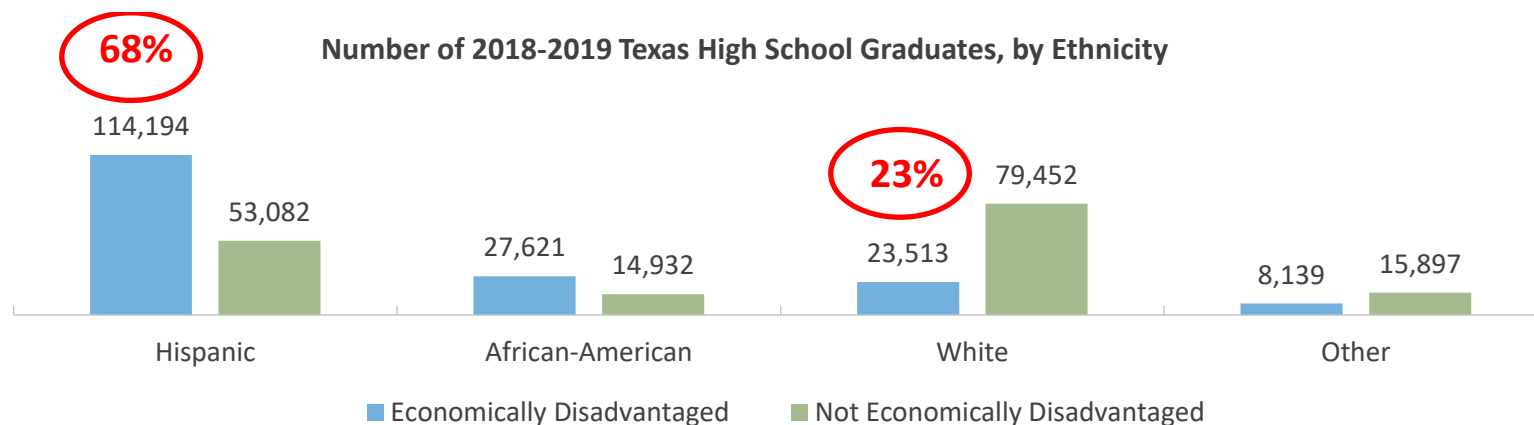


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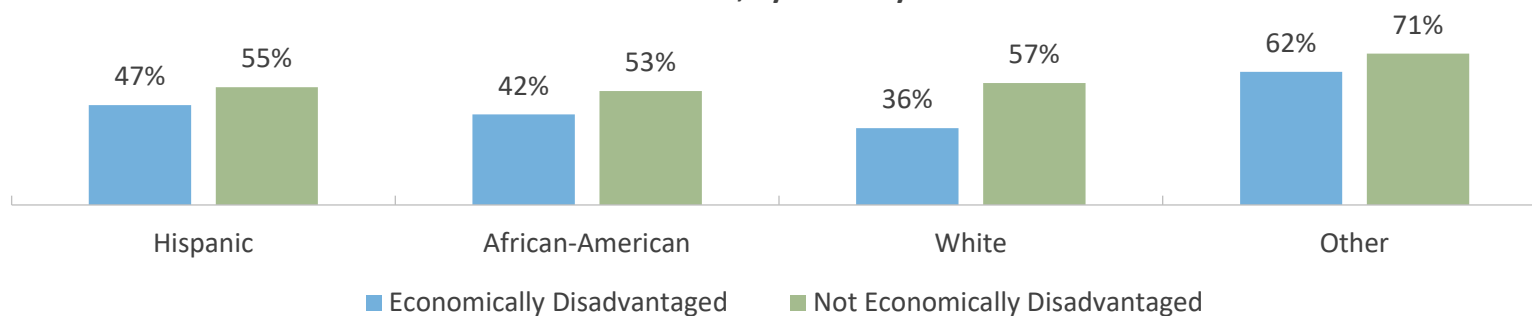


Number of 2018-2019 Texas High School Graduates, by Ethnicity

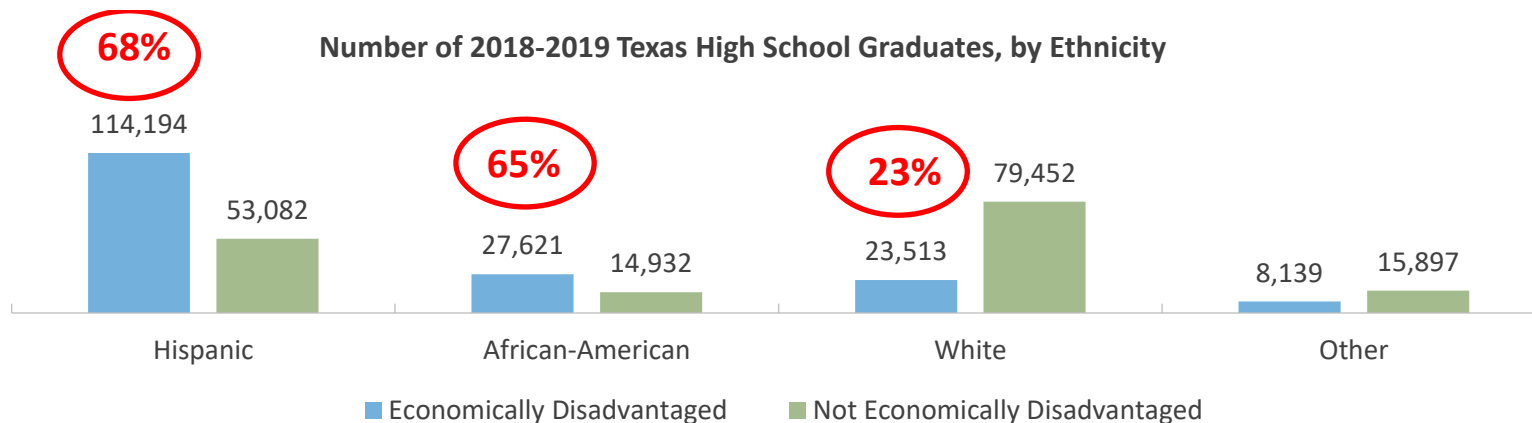


Low-Income High School Graduates

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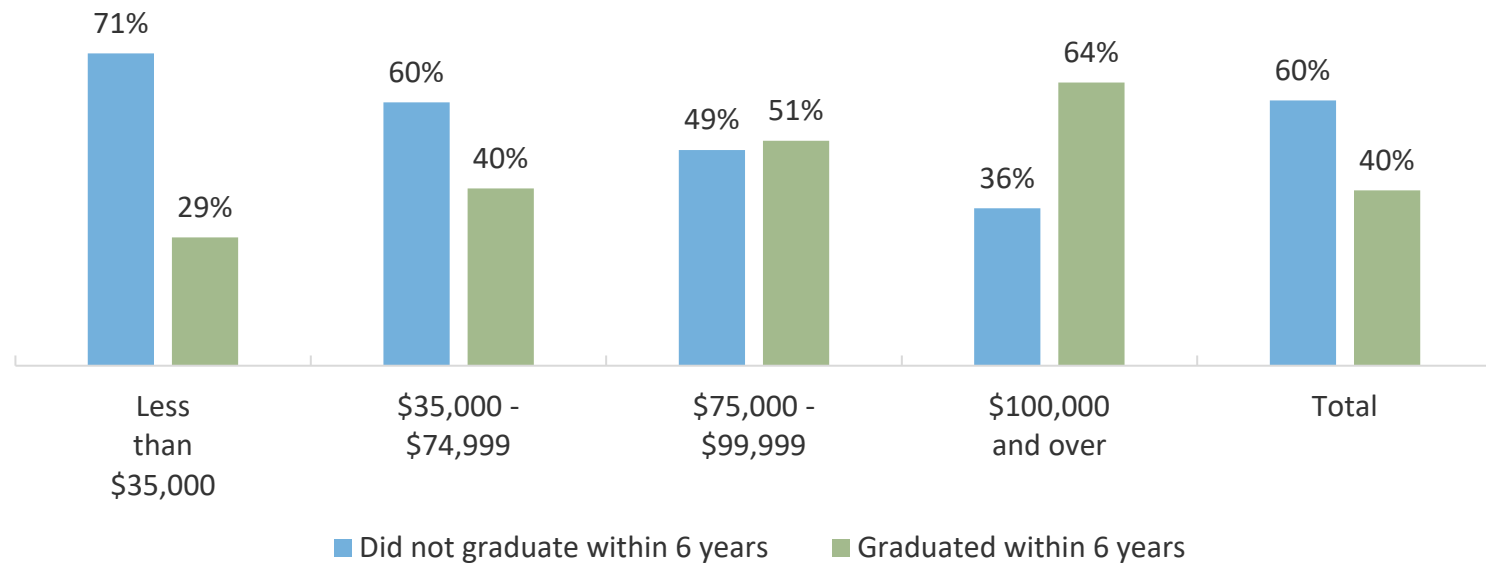


Number of 2018-2019 Texas High School Graduates, by Ethnicity



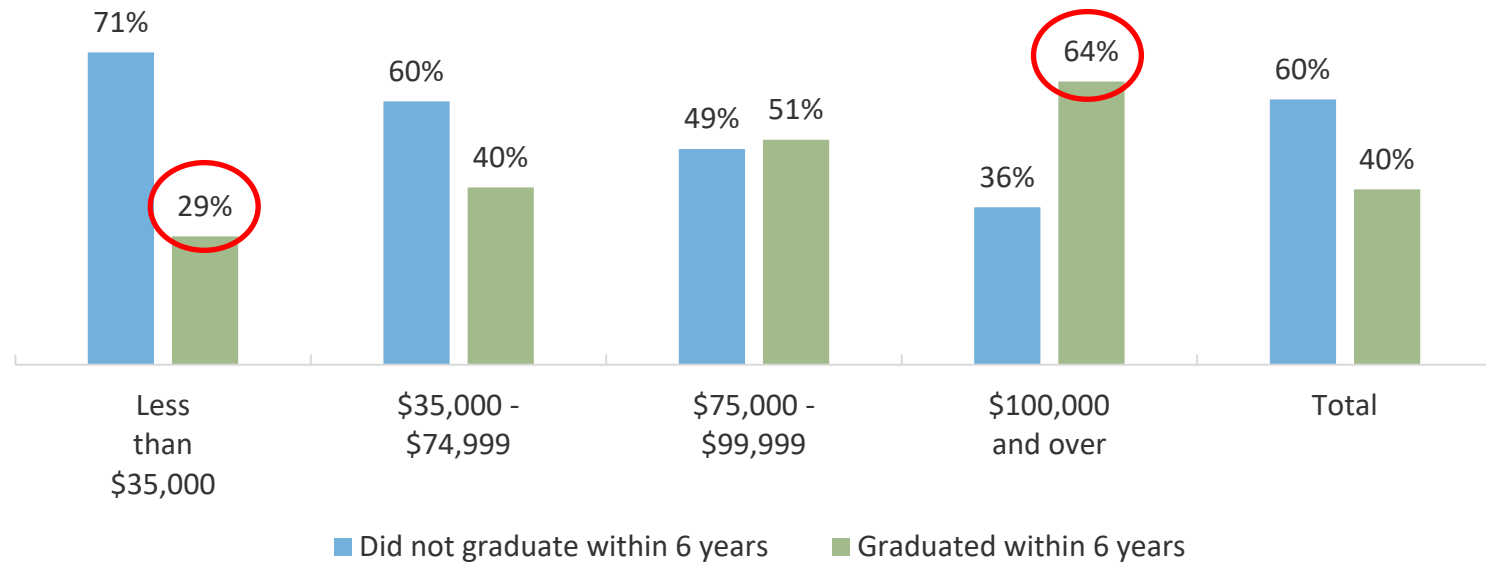
College Completion by Income

**Baccalaureate Graduation Status by 2014 Income,
2012-13 Texas Public High School Graduates Enrolled in Fall 2013 in Texas
Higher Education**



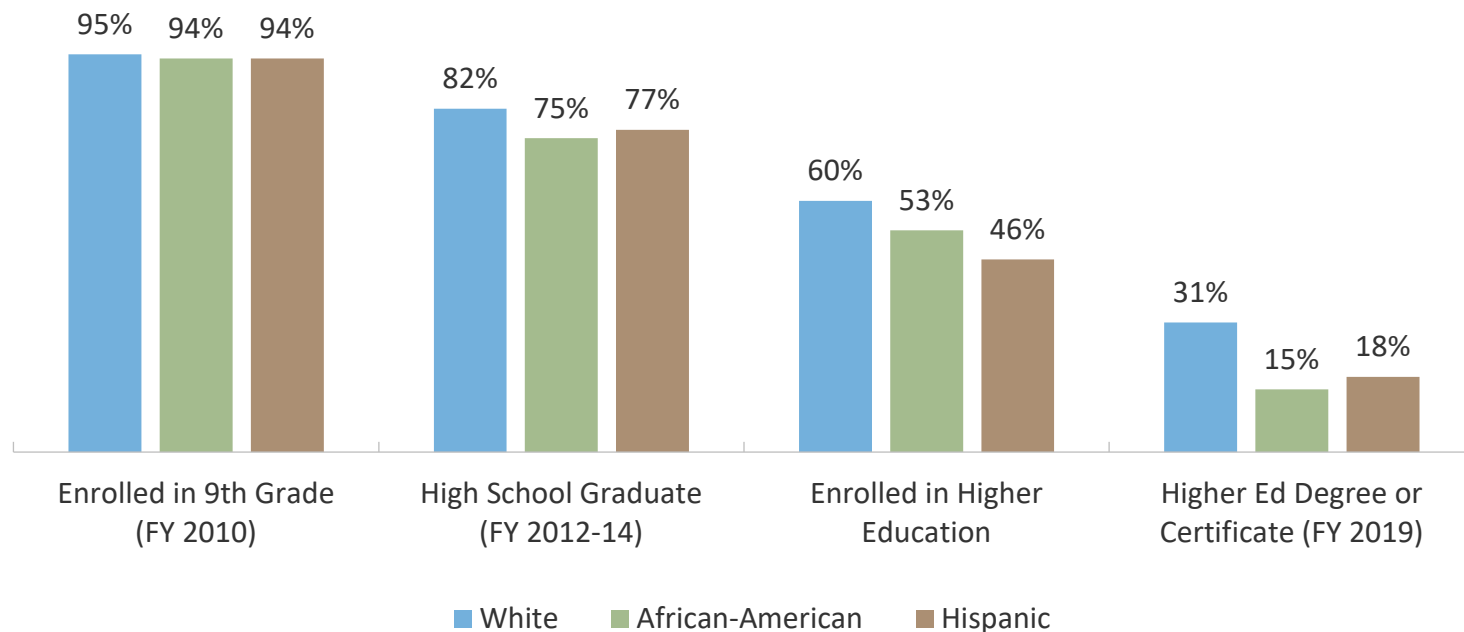
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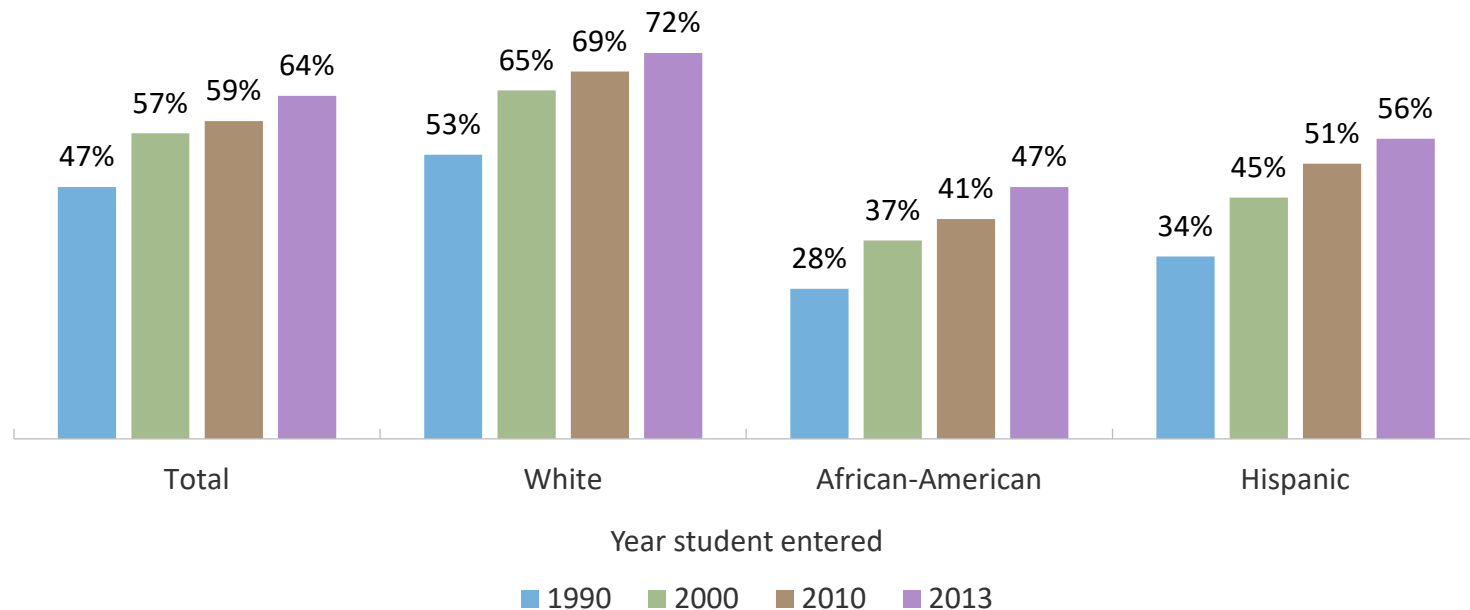
Educational Pipeline

Texas Student Pipeline by Race/Ethnicity
Transition Rates from 8th Grade to College Completion



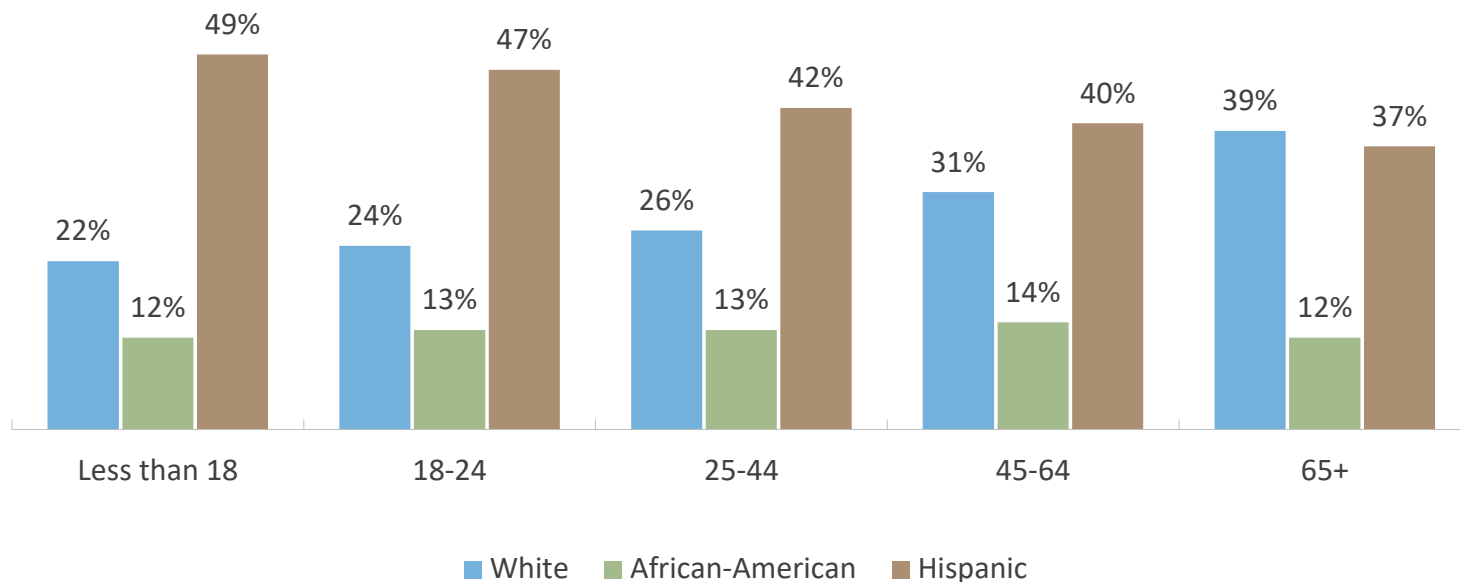
College Completion by Race/Ethnicity

First-time Freshmen Who Entered a Texas Public University and Received a Bachelor's Degree within Six Years, by Ethnicity



Texas' Population Projections

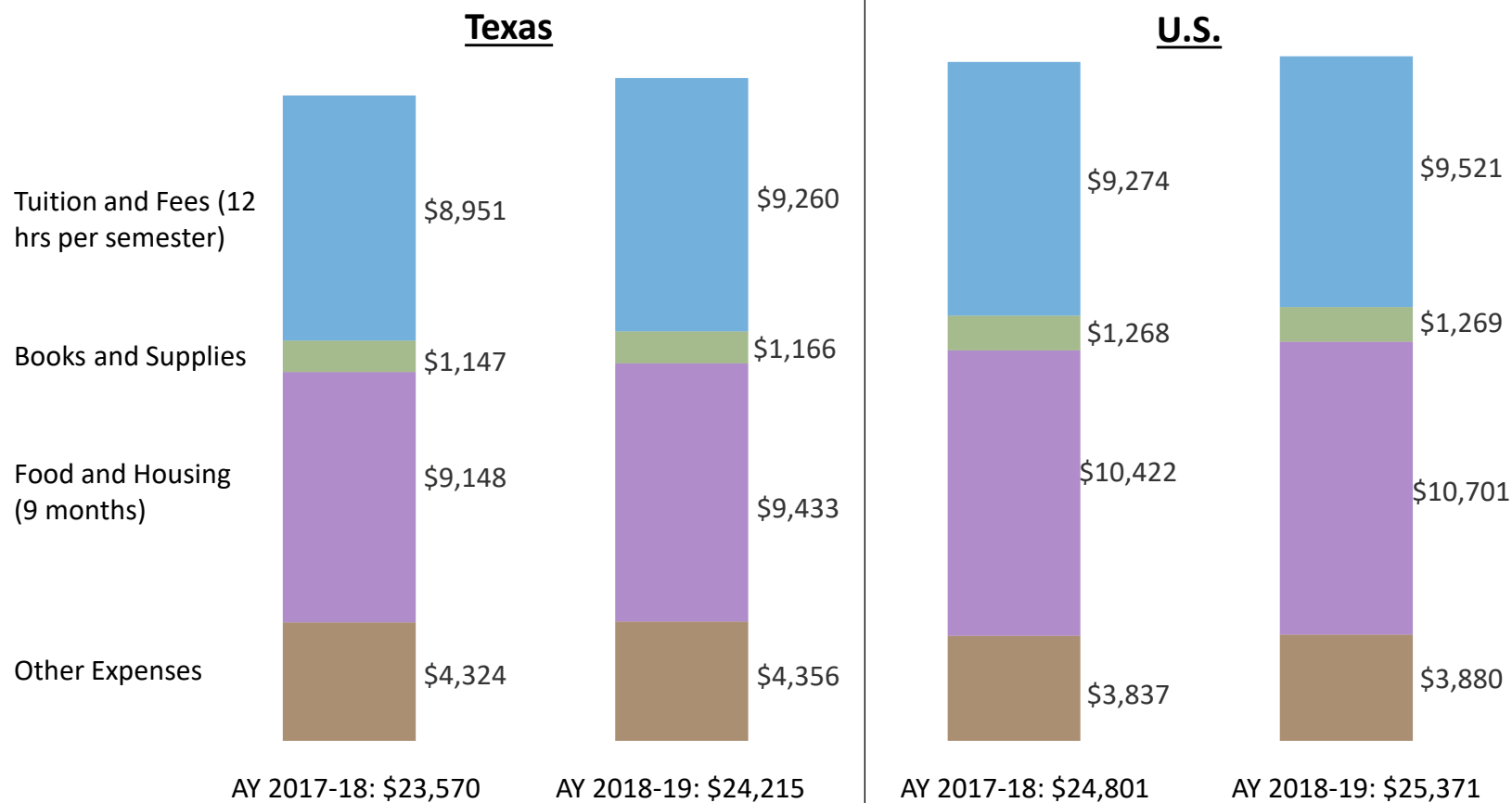
Projected 2050 Population by Age and Ethnicity in Texas



Paying for a Public University Education in Texas

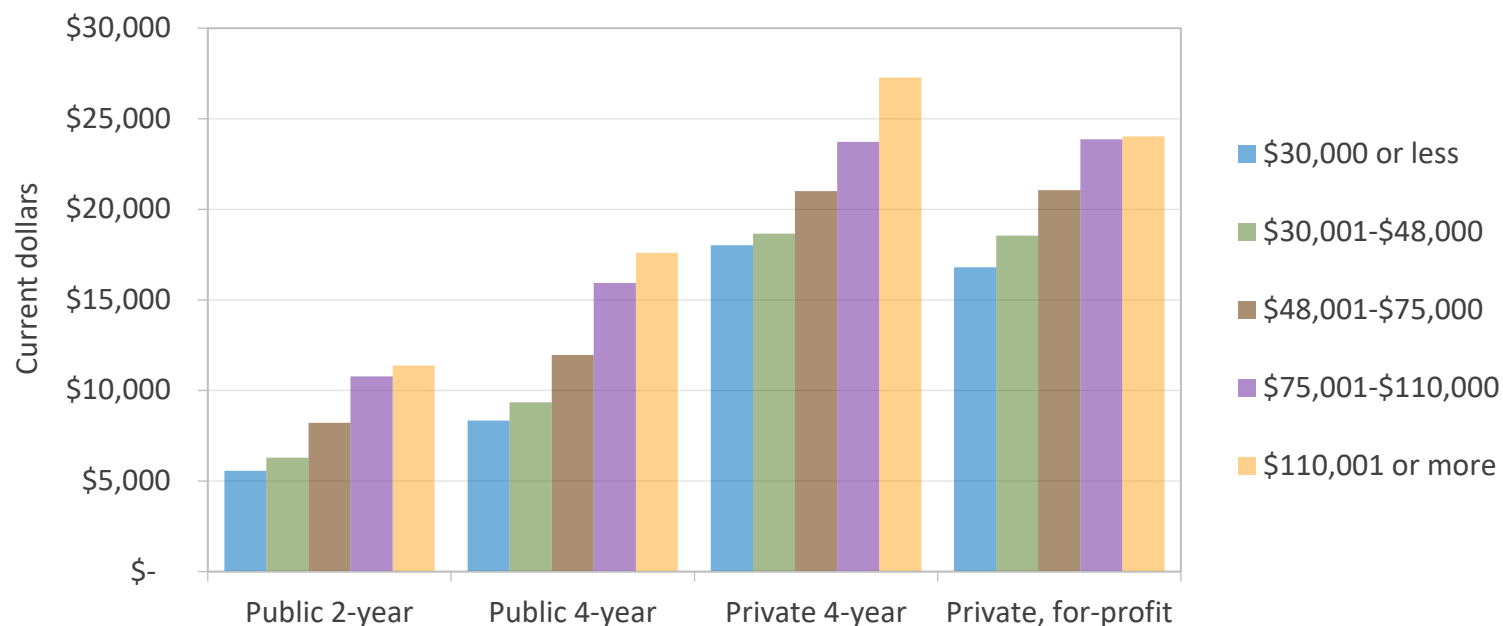


Public University Costs



Net Price – Lower for Low-Income

Average Net Price for Full-time, First-time Undergraduates in Texas by Sector and Income Quintile (AY 2018-2019)



Costs Can Be Higher With Dependents

Average USDA/HUD Food and Housing Costs for Two Semesters (9 Months) for Counties and MSAs Where Texas Public Universities Are Located (AY 2018–2019)

	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	\$2,427	\$2,427	\$2,427	\$3,648
Housing	\$3,657	\$4,515	\$7,315	\$9,030
Total Food and Housing	\$6,084	\$6,942	\$9,742	\$12,678

Average Room and Board Budget: \$9,030

Costs Can Be Higher With Dependents

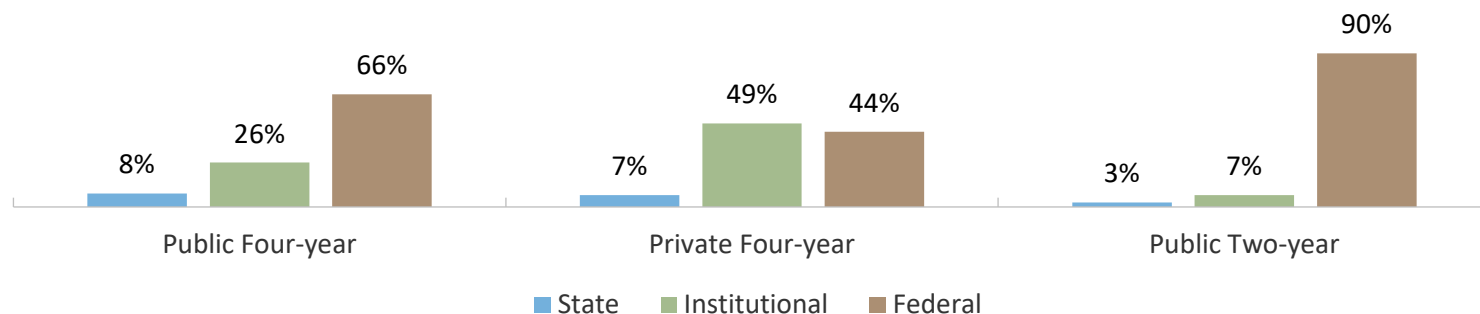
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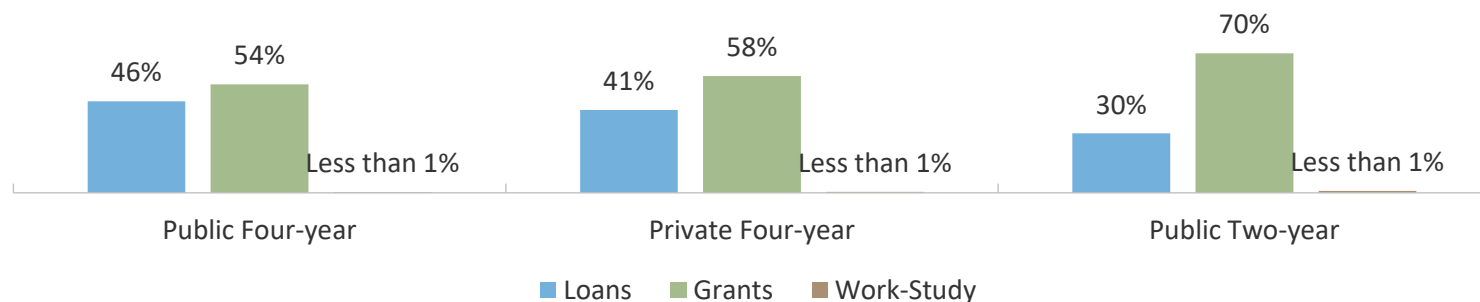
Average Room and Board Budget: \$9,030

Texas Students Depend on Federal Aid

**Direct Student Aid by Source in Texas, by Sector
(AY 2018-2019)**

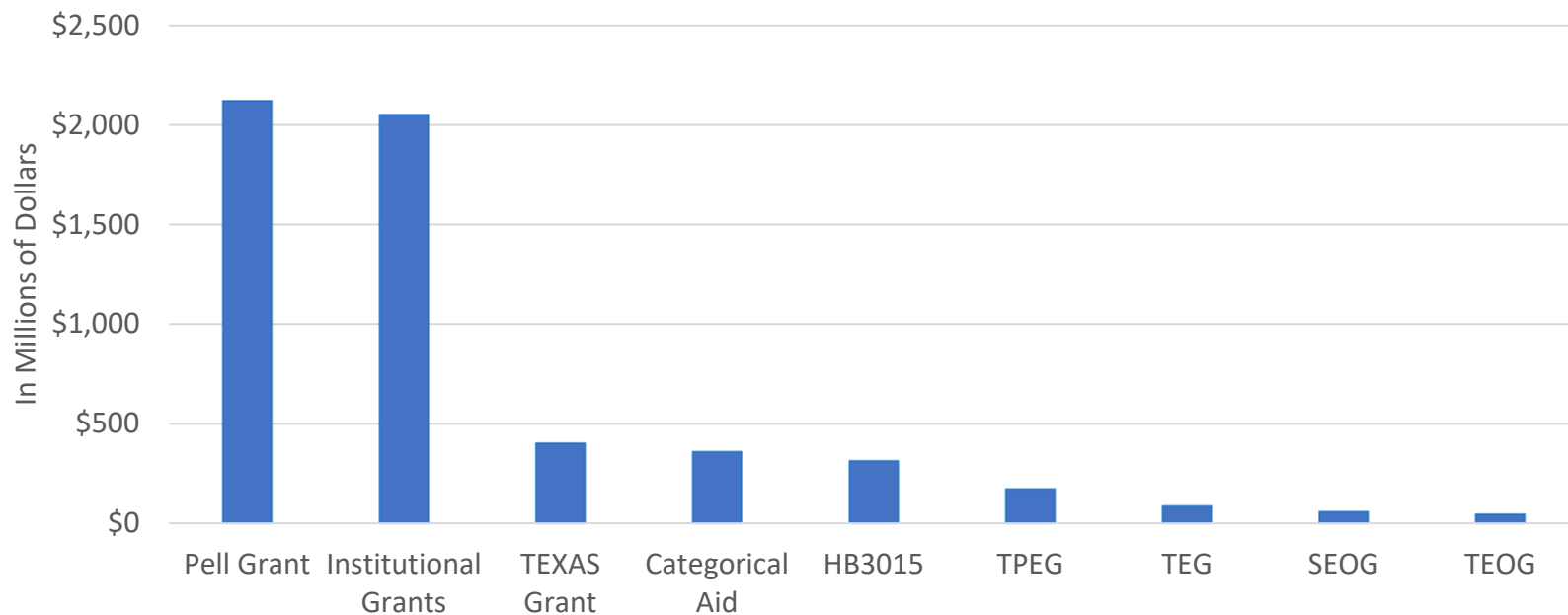


**Direct Student Aid From All Sources by Type in Texas, by Sector
(AY 2018-2019)**

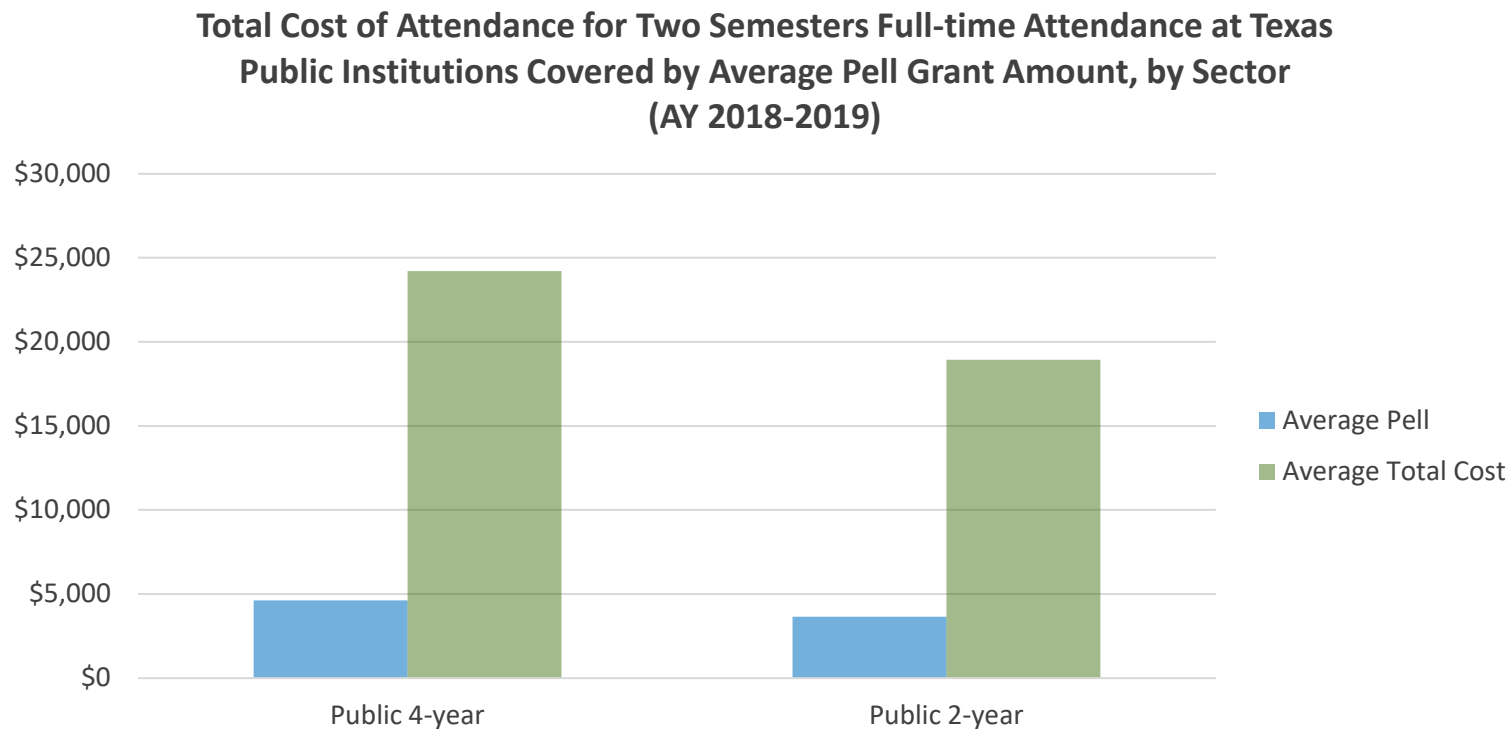


Total Grant Awards in Texas

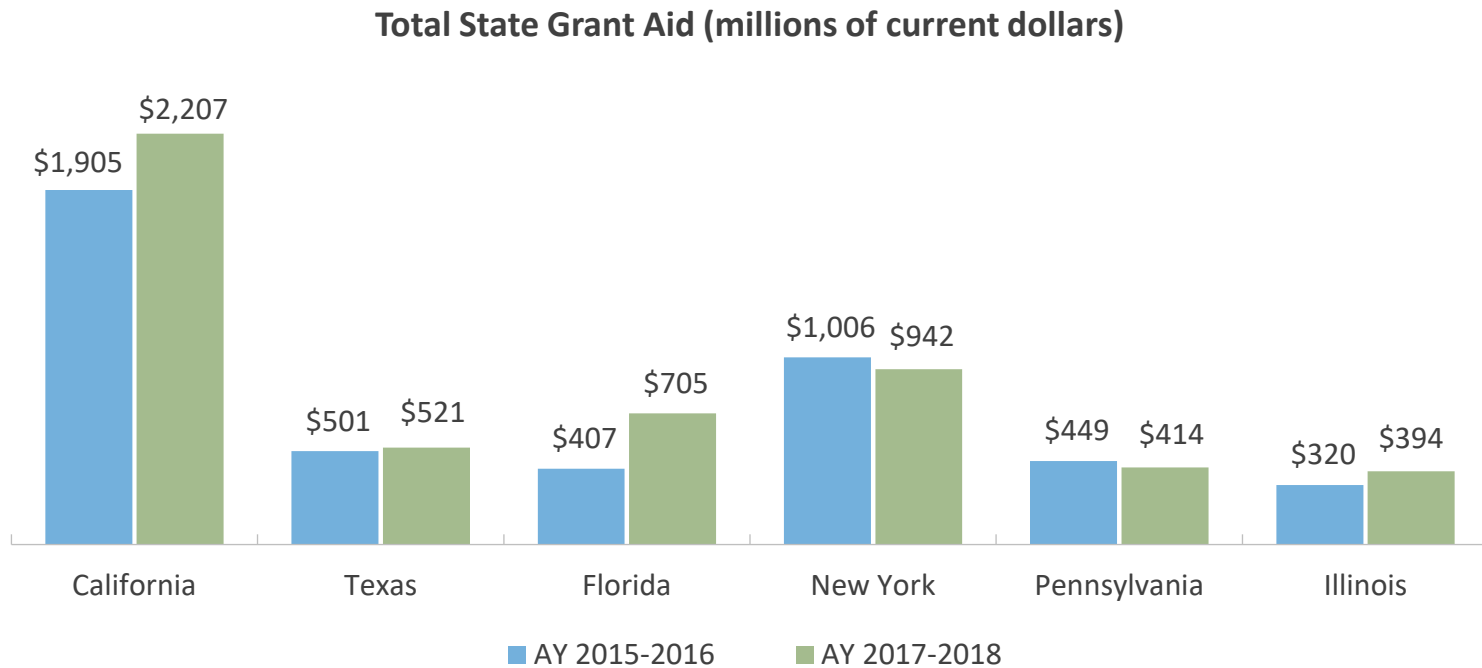
**Total Grant Aid Awarded in Texas by Major Grant Program,
FY2018-2019**



Buying Power of Pell



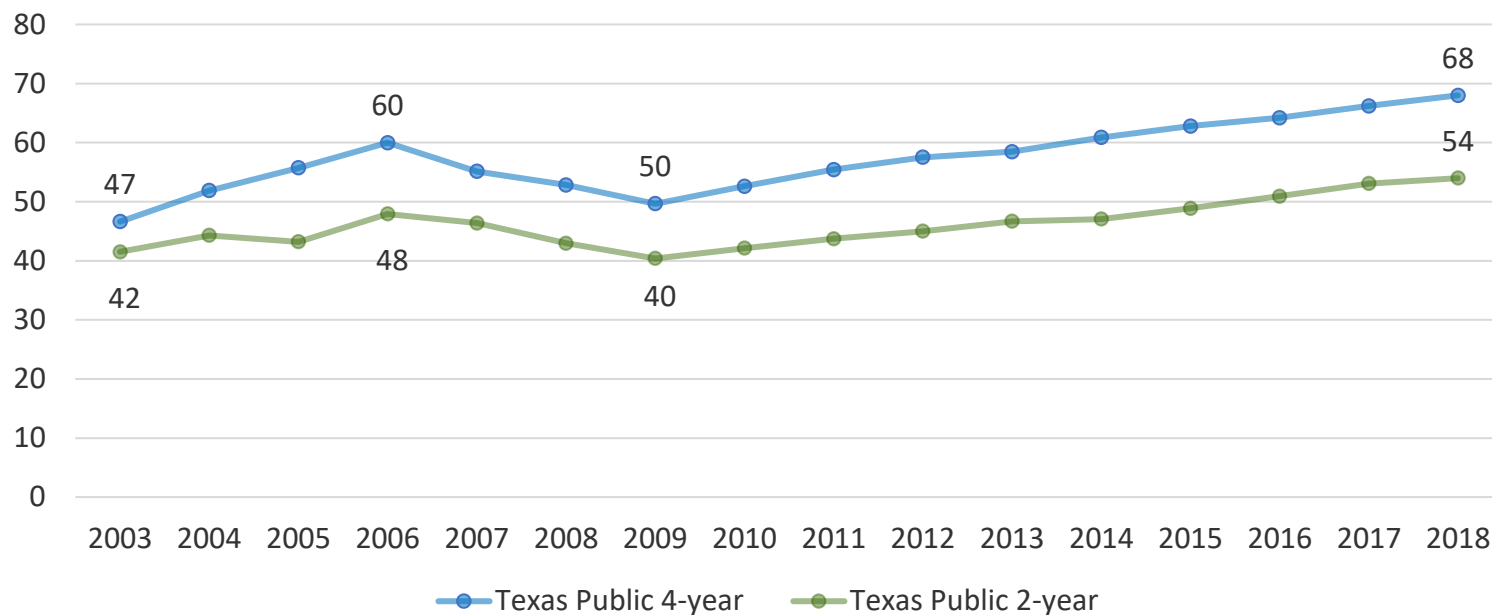
State Grant Aid



States shown in order by size of population

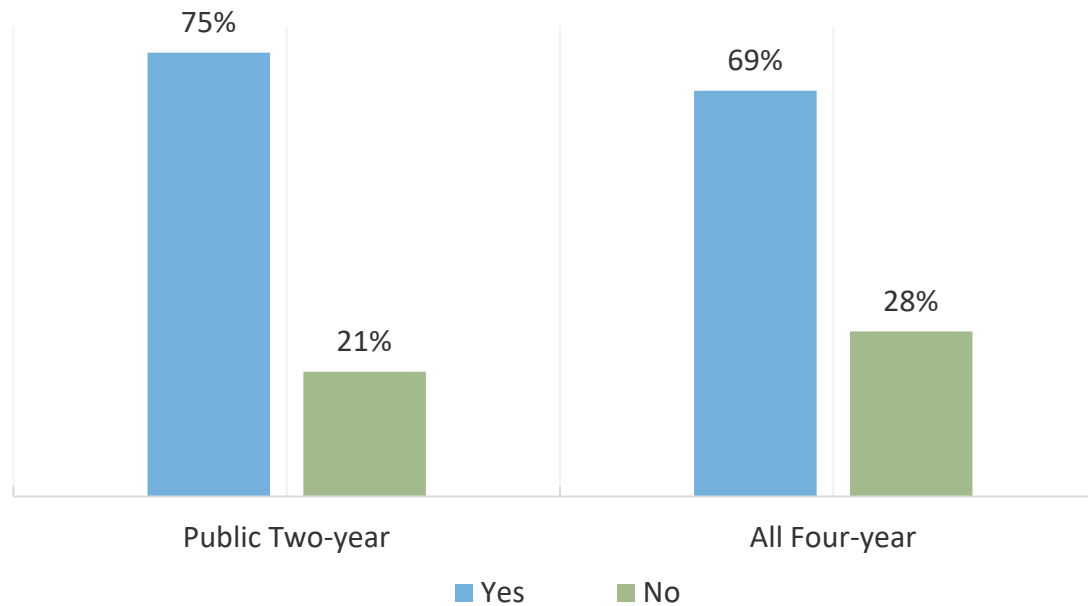
Paying for School Through Work

Hours of Minimum Wage Work per Week Needed to Pay for an Average Undergraduate Education in Texas, by Sector (2003 to 2018)



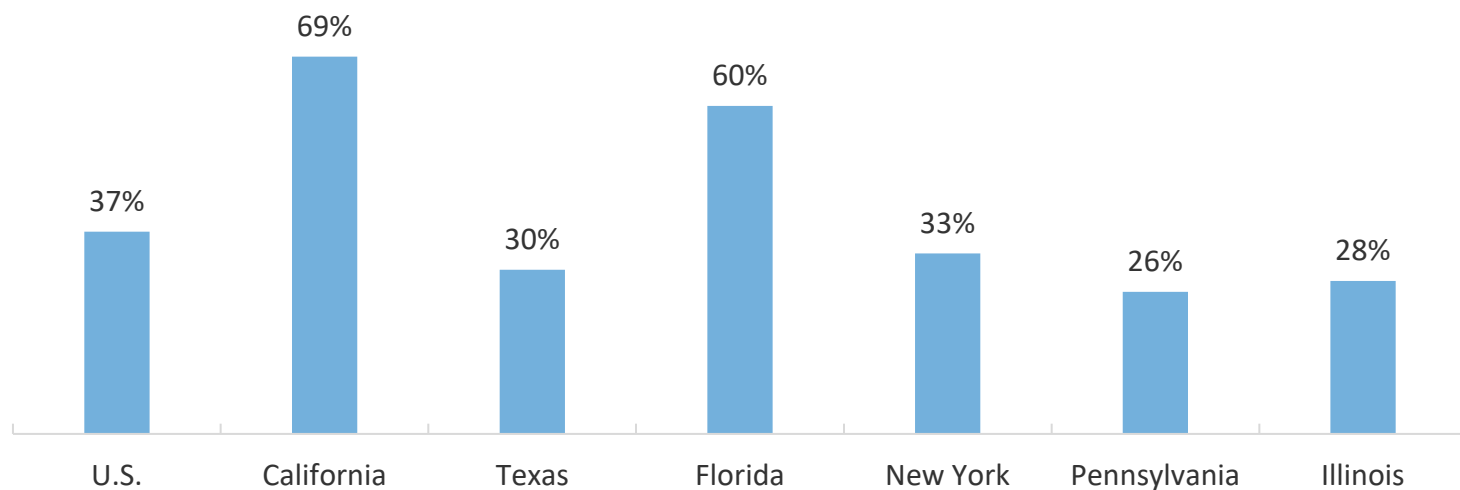
Working While Enrolled

Q29: Do you work for pay?



Tuition Changes Over 10 Years

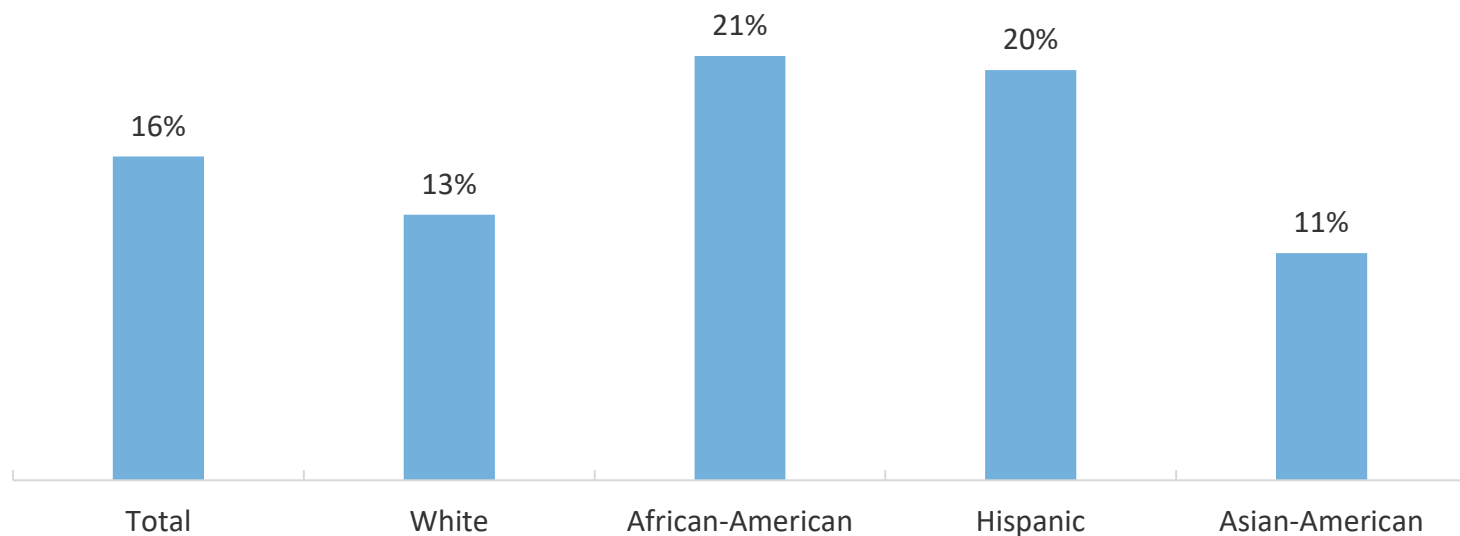
Percent Change in Average Tuition at Public Four-Year Colleges, Inflation Adjusted, 2008-2018



States shown in order by size of population

Tuition as a Percentage of Income

Average Tuition and Fees at a Texas Public Four-Year University as a Percentage of Texas Median Household Income, by Race (2017)

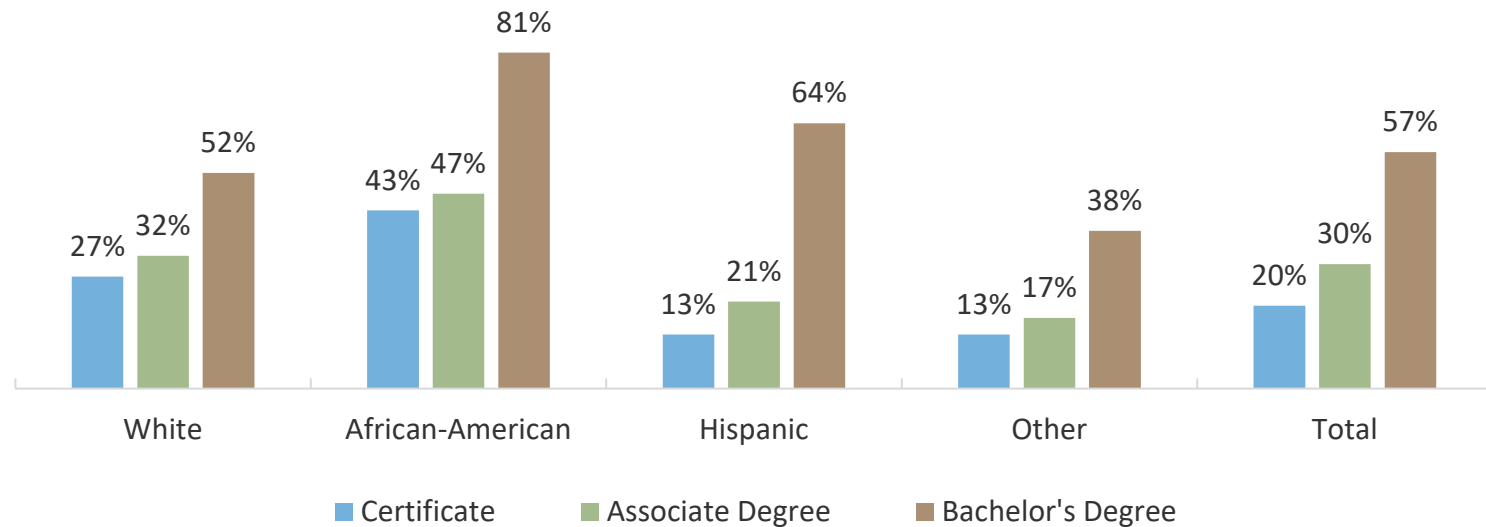


Borrowing for College

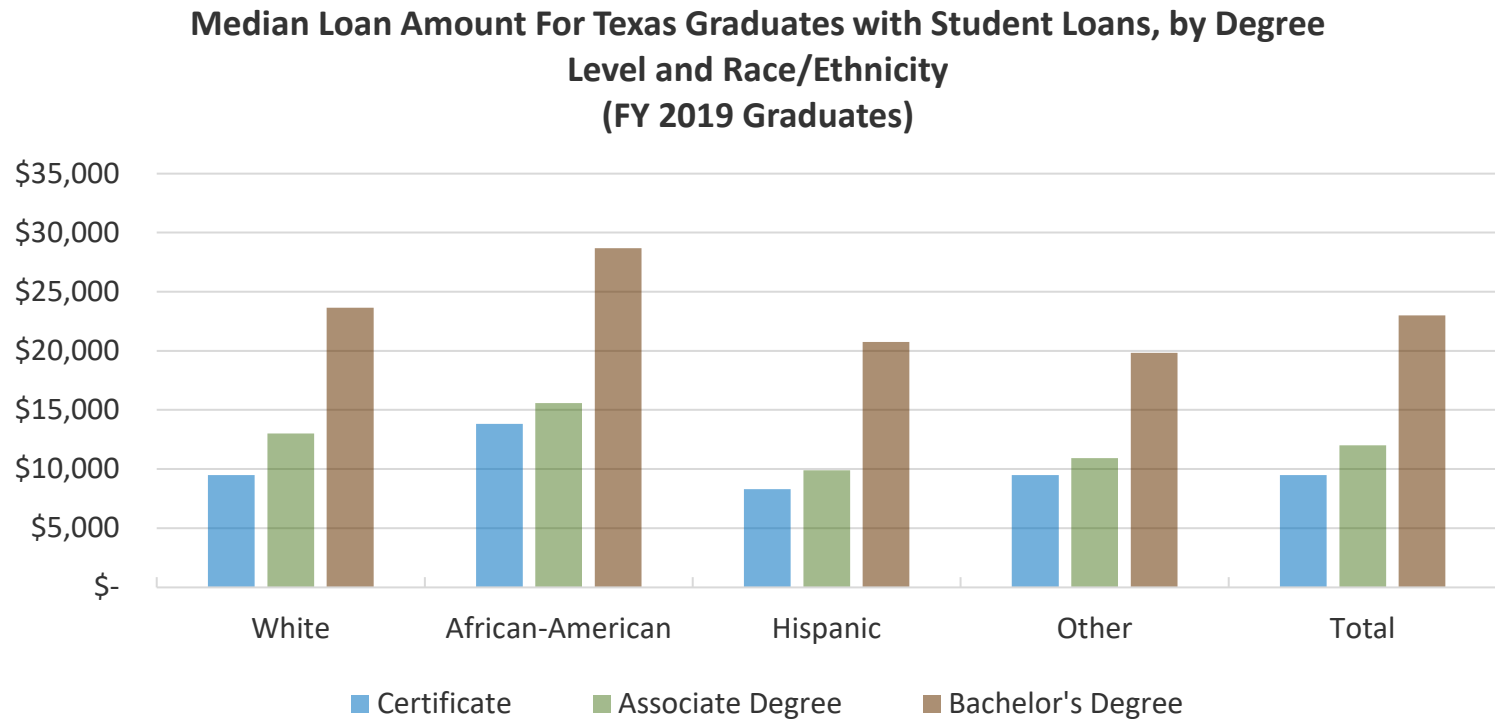


Borrowing Rates in Texas

**Percentage of Texas Graduates with Student Loans, by Degree Level and Race/Ethnicity
(FY 2019 Graduates)**

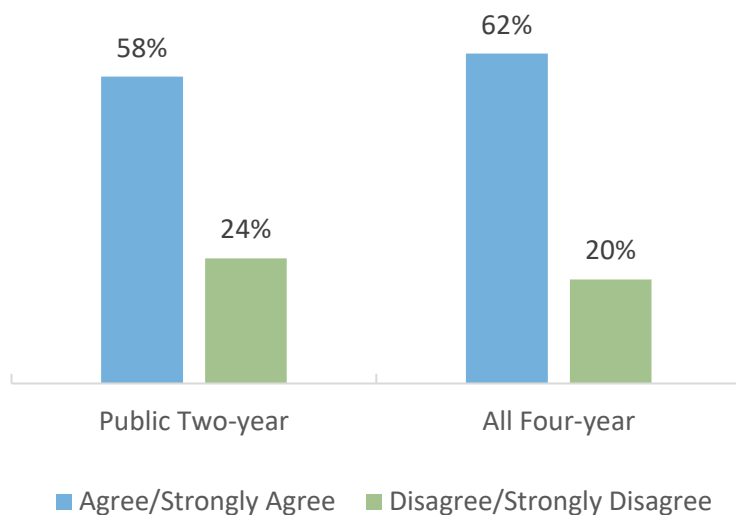


Cumulative Borrowing in Texas

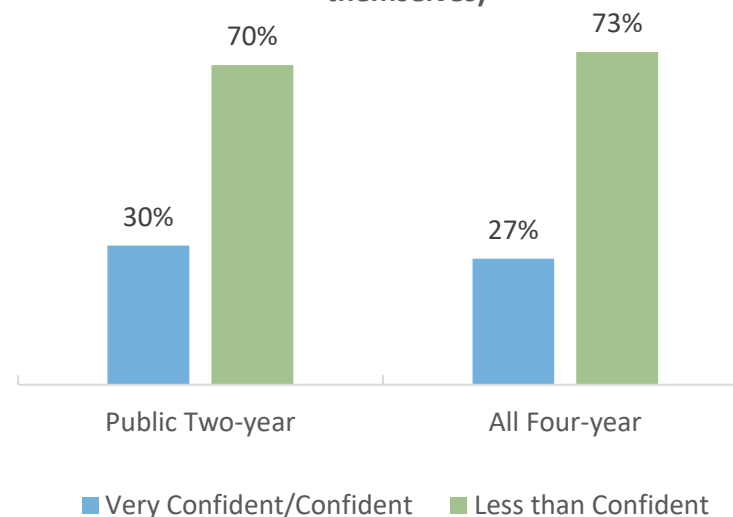


Students Worry About Loans

Q69: I have more student loan debt than I expected to have at this point. (of those who indicated having a student loan they took out for themselves)



Q70: How confident are you that you will be able to pay off the debt acquired while you were a student? (of those who indicated having a student loan they took out for themselves)

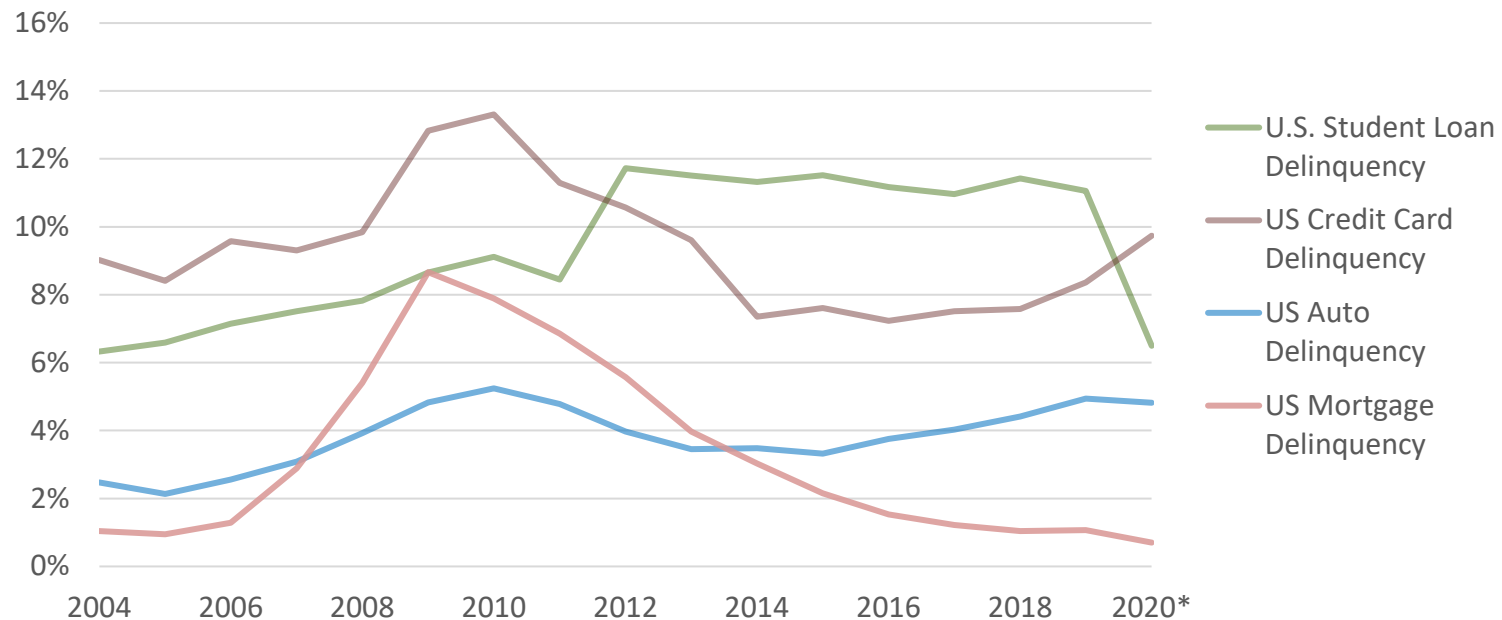


Repayment Outcomes

Repayment Group	Percent of Borrowers	Repayment Subgroup	Percent of Borrowers
Defaulters	24%	Paused Any Payment	14%
		Missed Any Payment	10%
Balance Increaseers	21%	N/A	N/A
Balance Decreasers	45%	Uninterrupted	22%
		Paused Any Payment	20%
		Missed Any Payment	3%
Consolidators	10%	N/A	N/A

Consumer Debt Delinquency

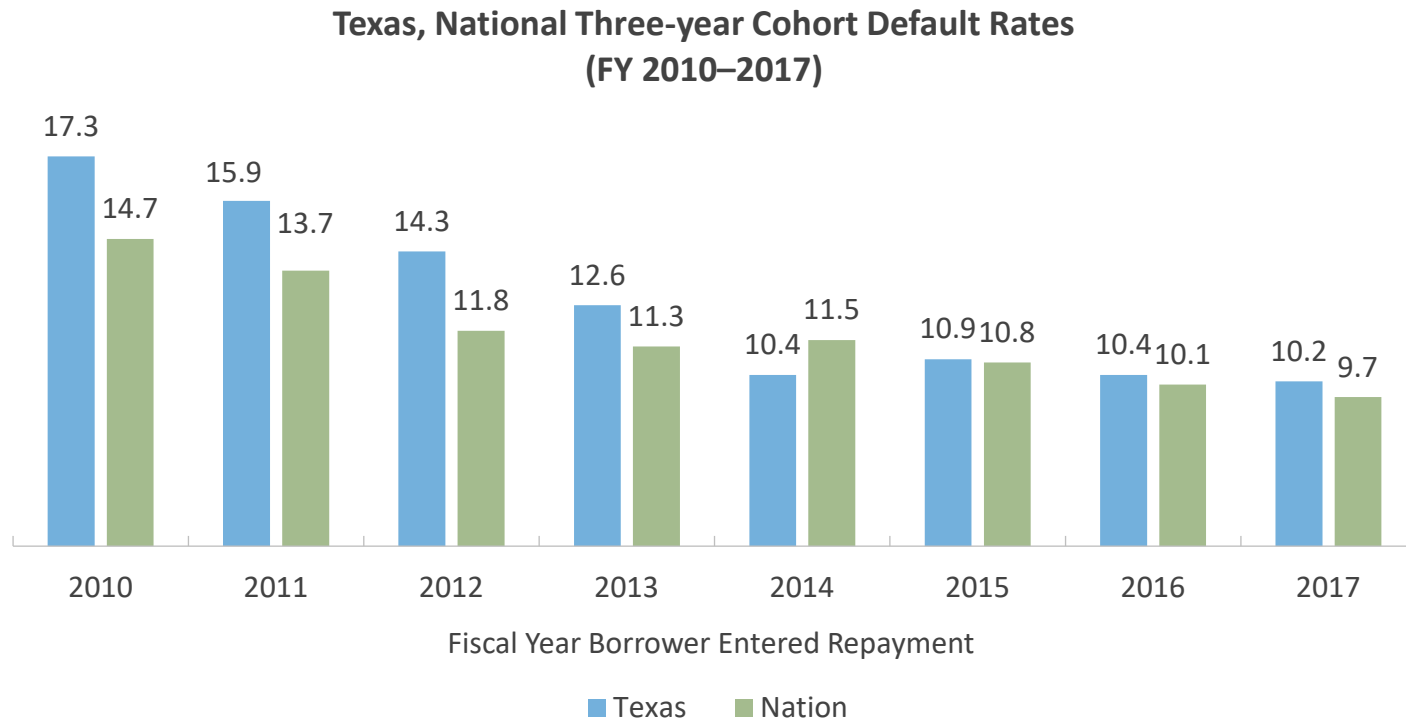
Percent of U.S. Consumer Debt Balance 90+ Days Delinquent, Over Time,
2004-2020



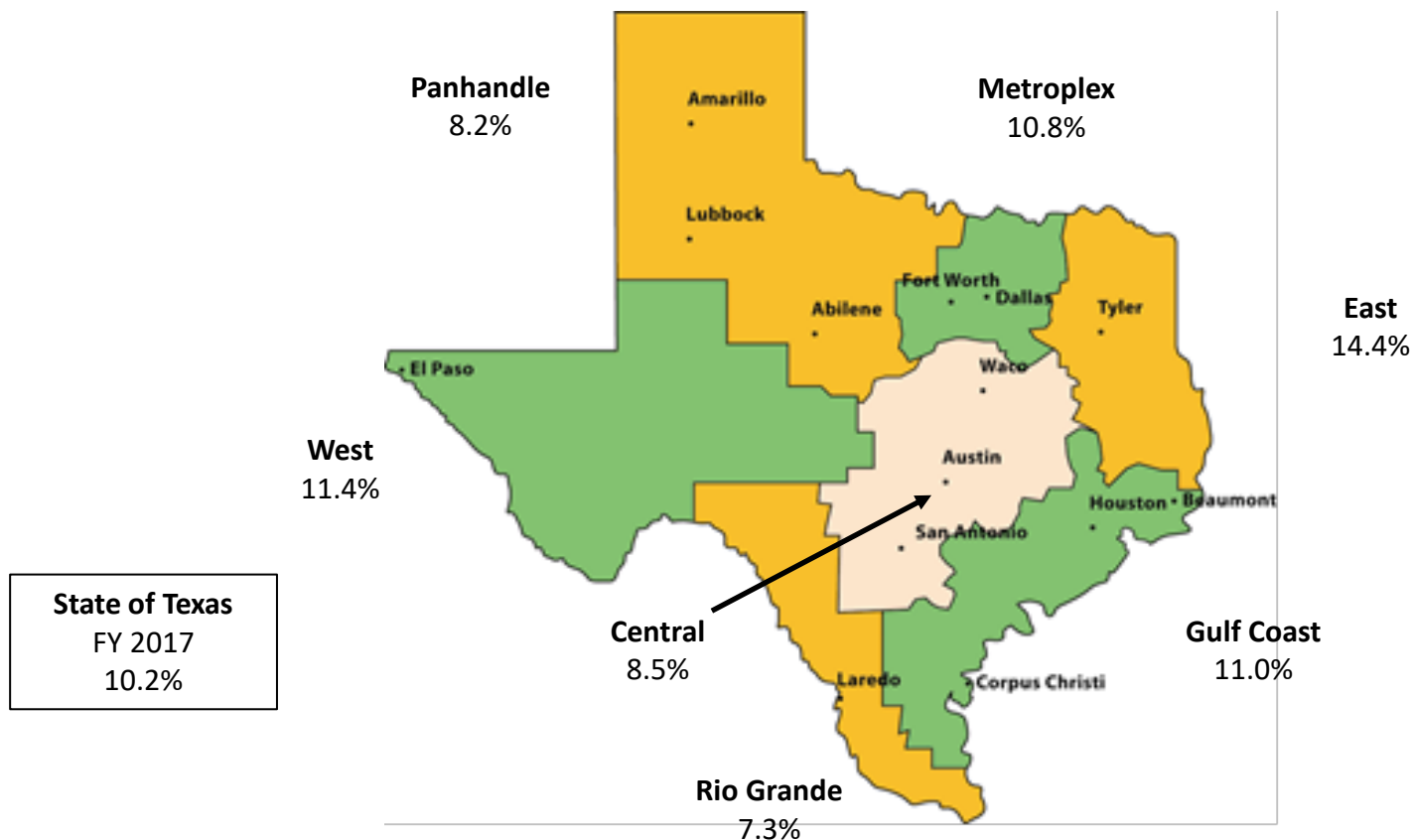
* Only includes first three quarters

Section 11, page 103

Official Cohort Default Rates

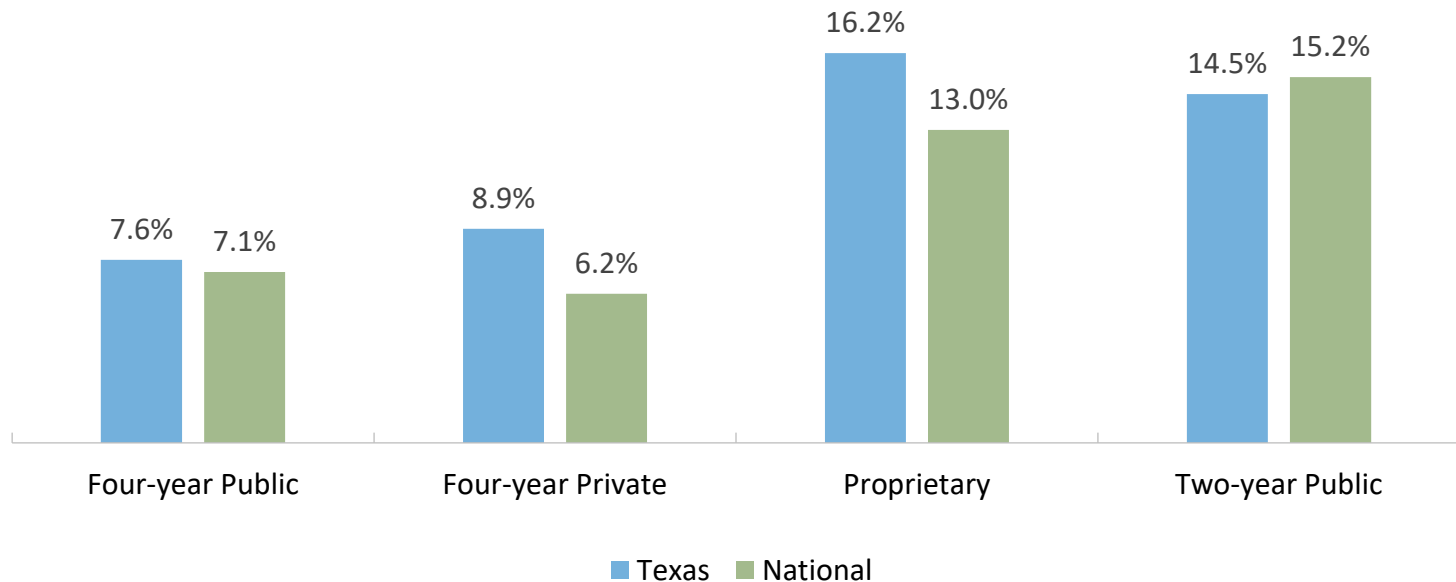


Cohort Default Rates by Texas Region



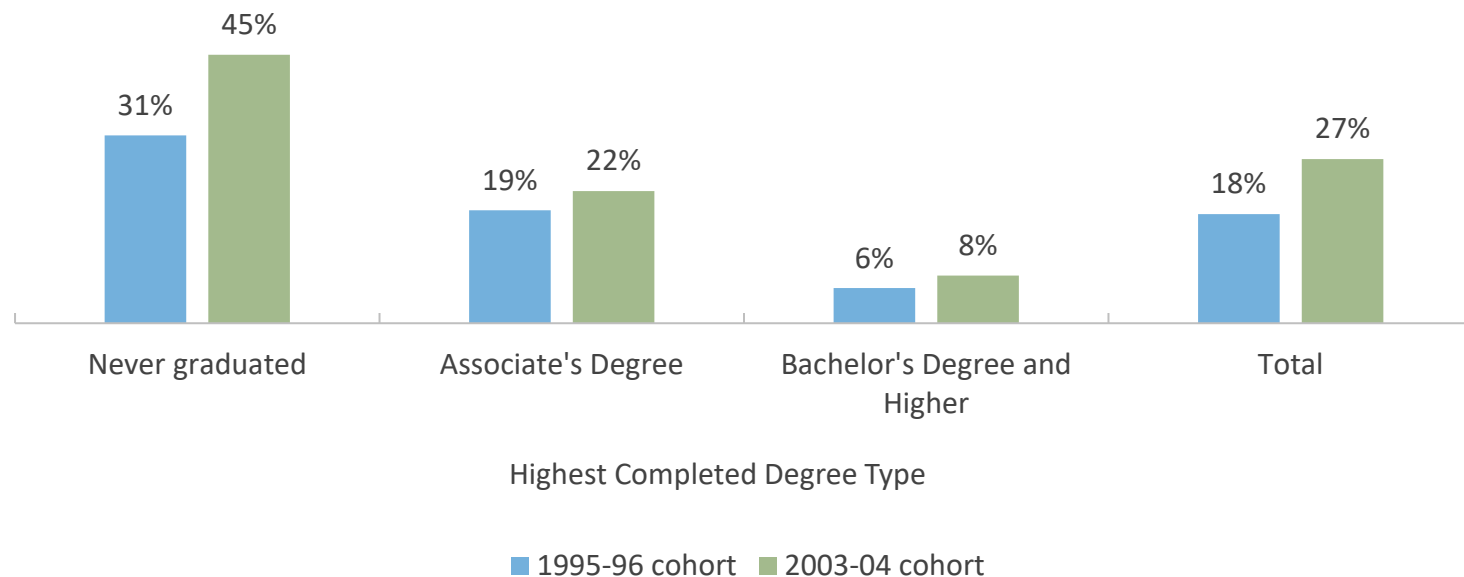
Cohort Default Rates by Program Length

**Texas Three-year Cohort Default Rates by School Type,
FY 2017 Cohort**

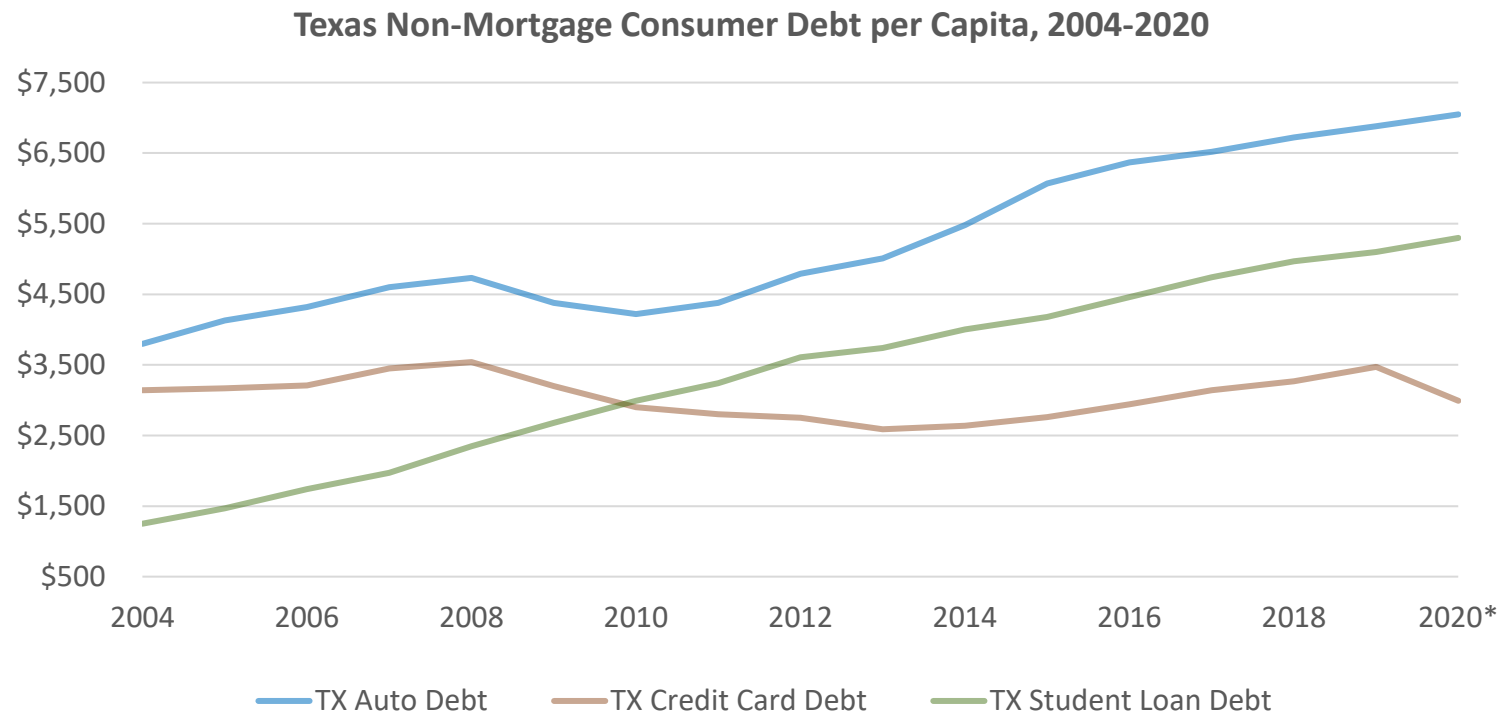


Defaults by Graduation Status

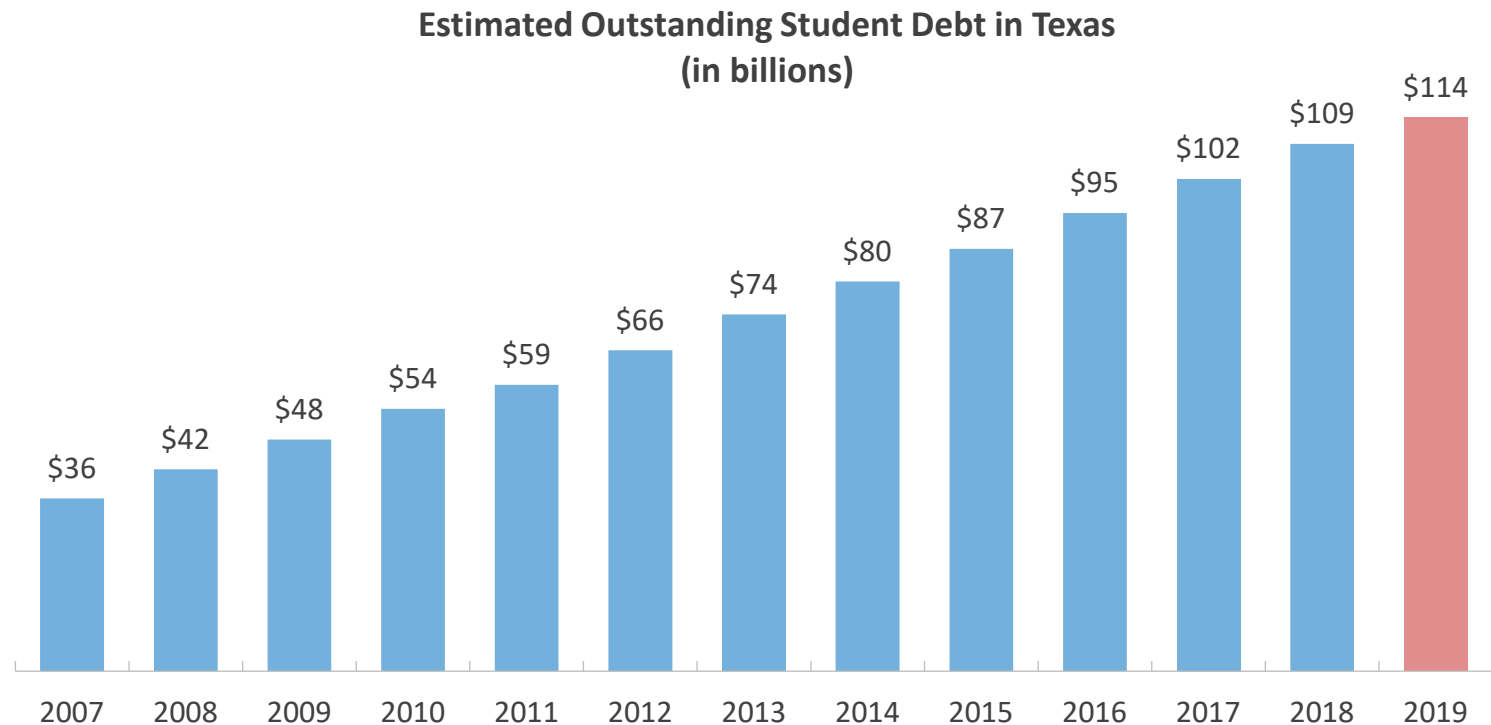
**Percentage of Borrowers Who Defaulted within 12 Years of Starting College,
by Degree Type, 1995-96 and 2003-04 Cohorts**



Consumer Debt Types in Texas



Outstanding Student Debt in Texas



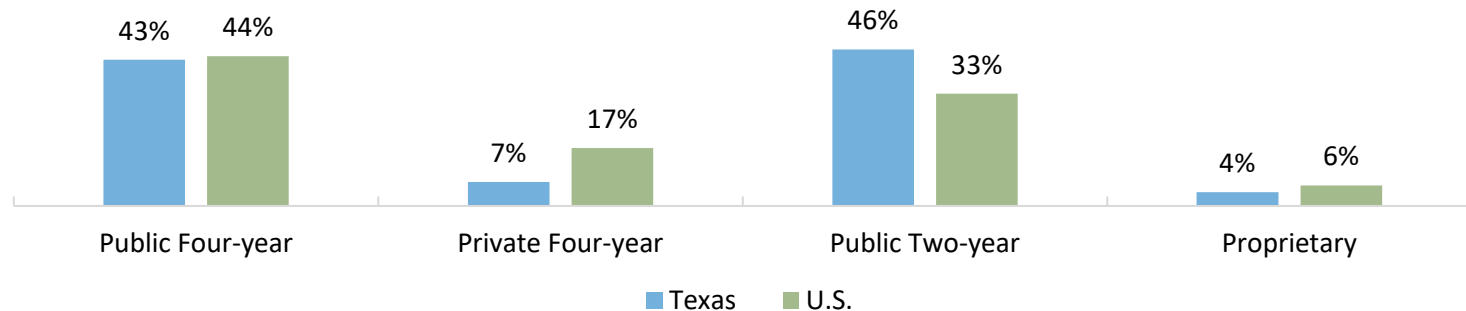
Section 13, page 118

Texas Community College Students

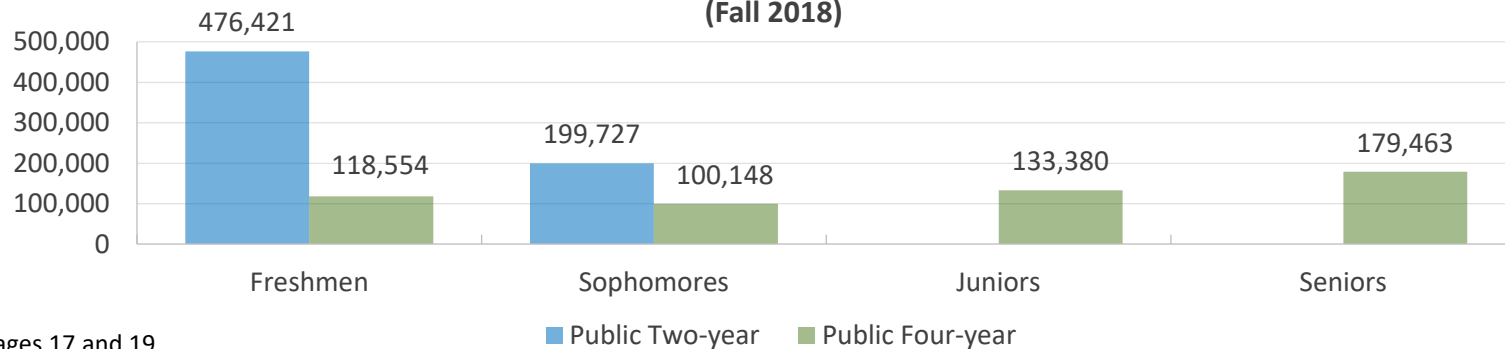


Vital Sector in Texas

**Undergraduate Enrollment by Location and Sector
(Fall 2018)**



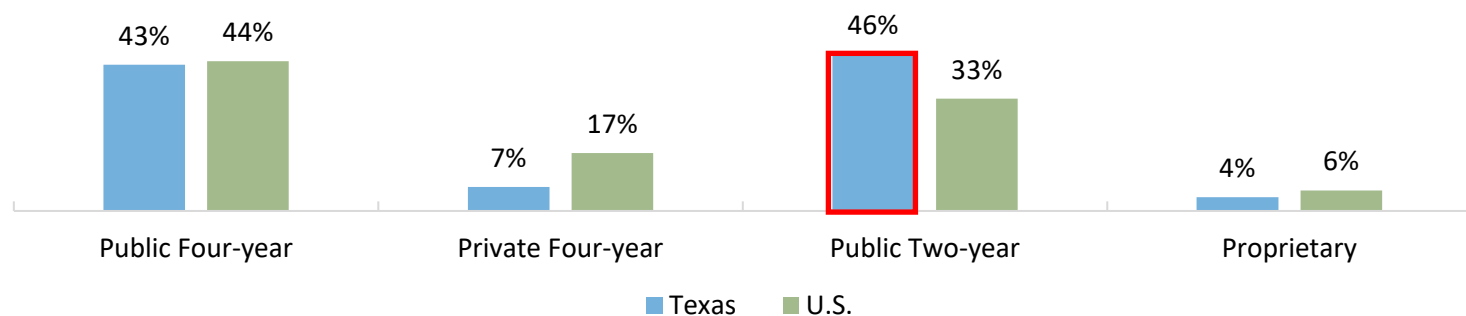
**Undergraduates by Classification and Sector
(Fall 2018)**



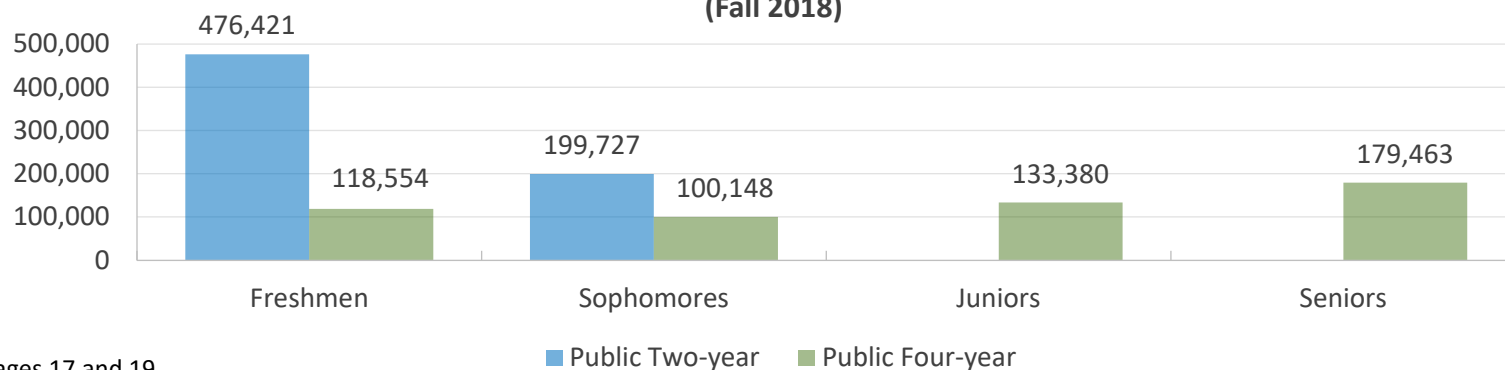
Section 3, pages 17 and 19

Vital Sector in Texas

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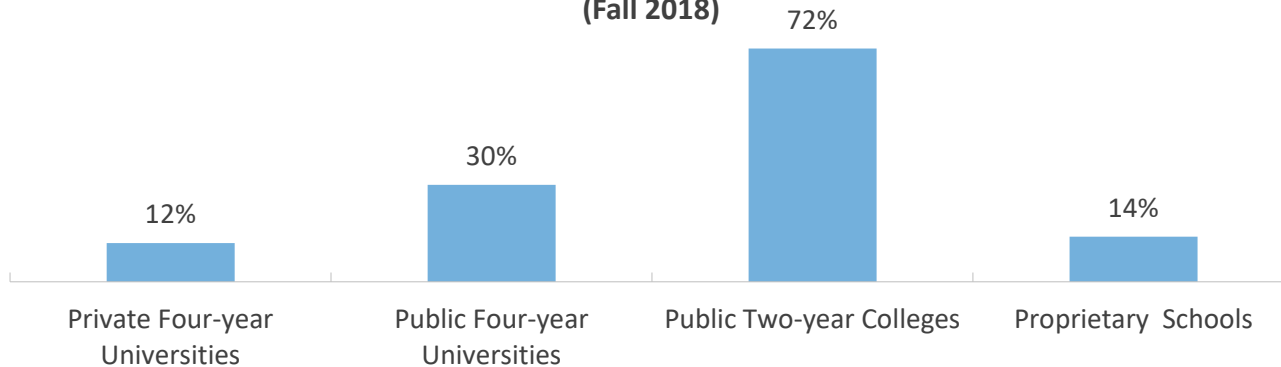


Undergraduates by Classification and Sector
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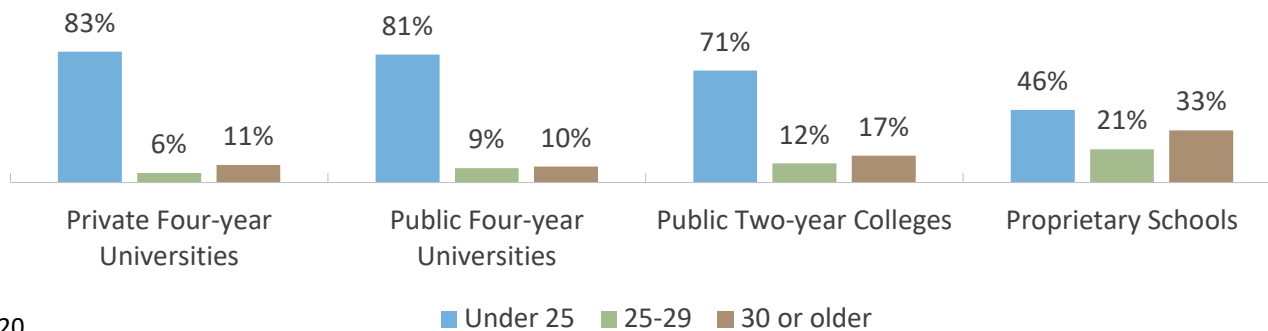


Profile of Community College Students

**Part-Time Enrollment of Undergraduates in Texas by School Sector
(Fall 2018)**

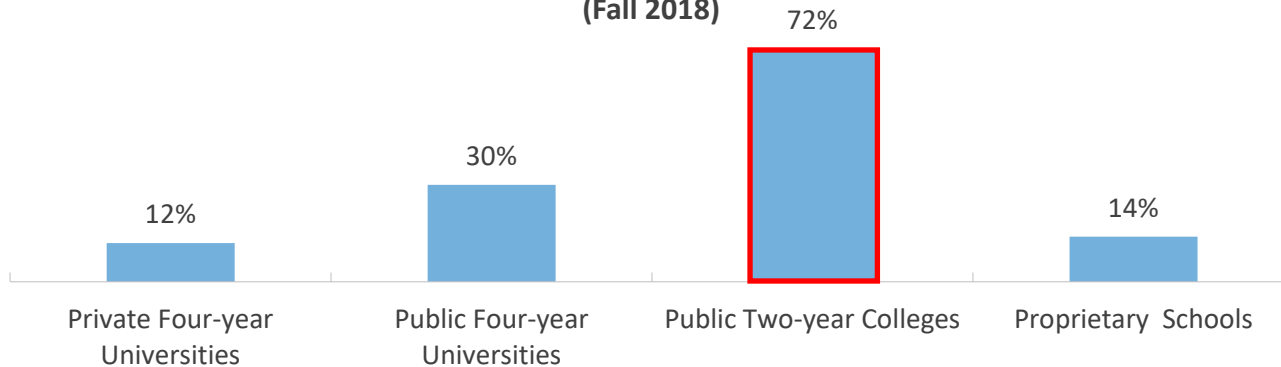


**Age of Undergraduates in Texas by School Sector
(Fall 2017)**

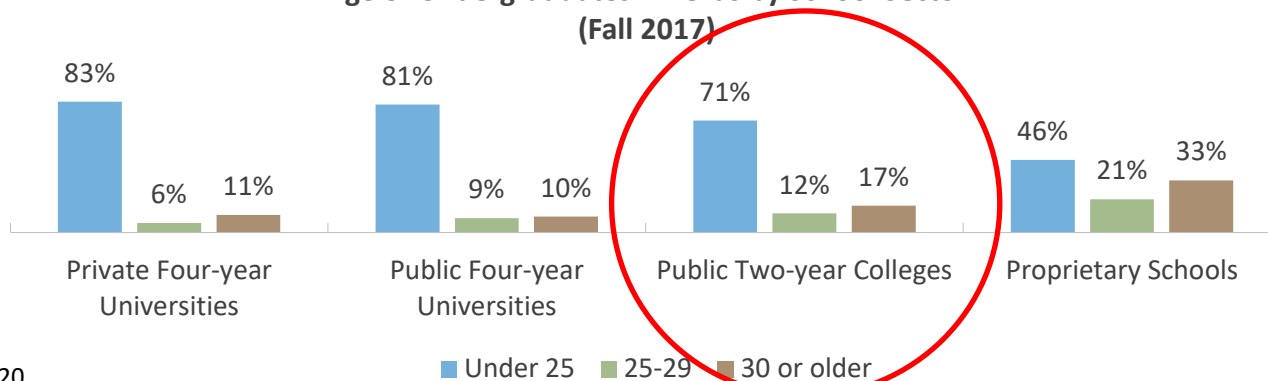


Profile of Community College Students

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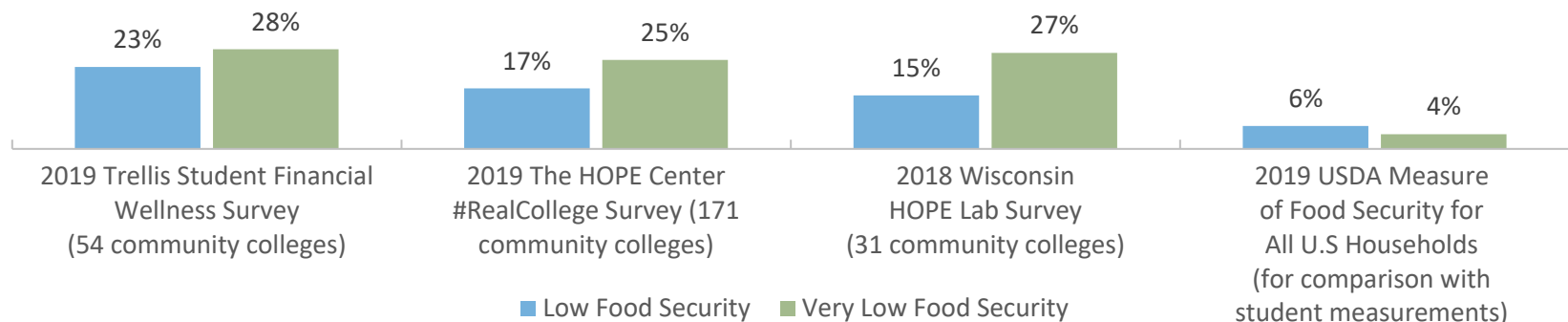
**Age of Undergraduates in Texas by School Sector
(Fall 2017)**



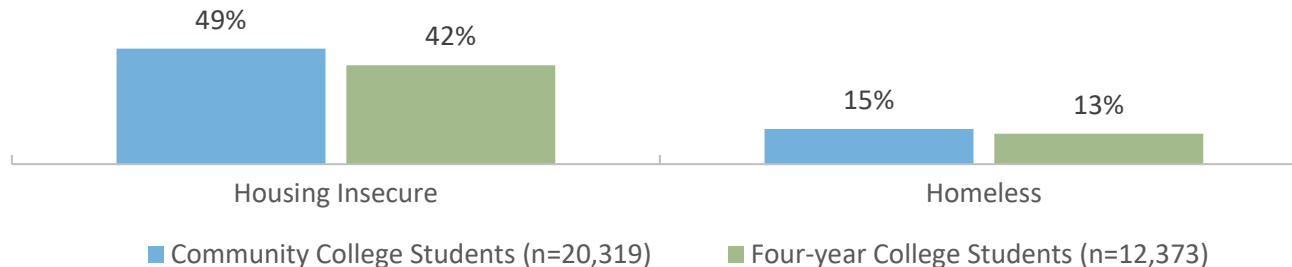
Section 3, pages 18 and 20

Profile of Community College Students

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

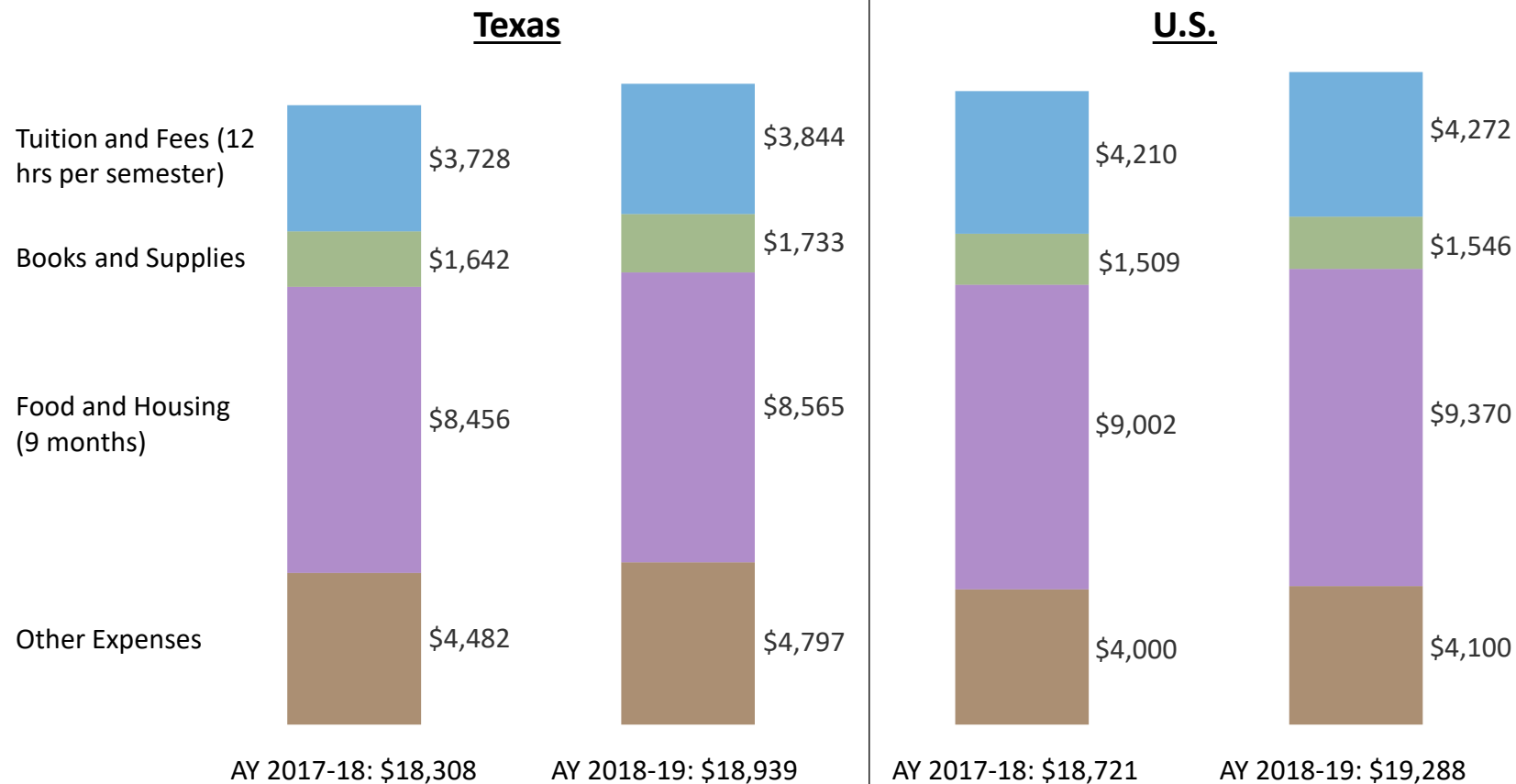


Housing Security and/or Homelessness within Prior Twelve Months at Community Colleges, from Trellis' Fall 2019 Survey



Section 9, pages 83 and 85

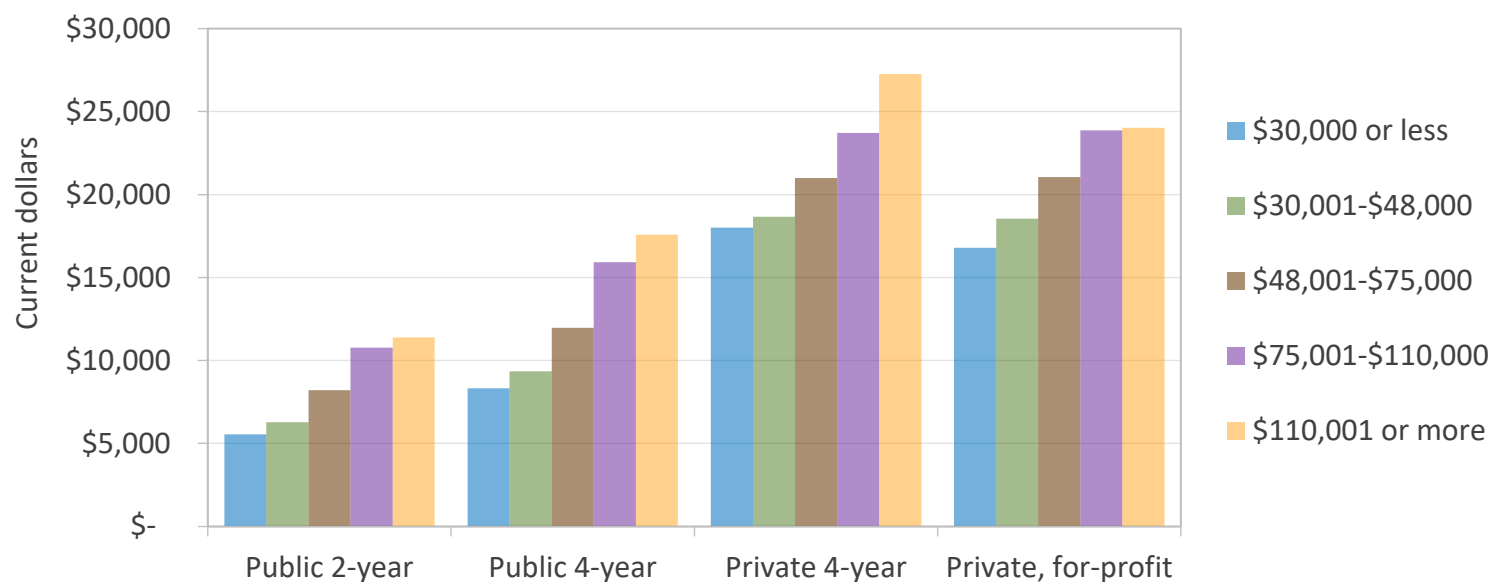
Costs at Texas Community Colleges



Section 4, page 27

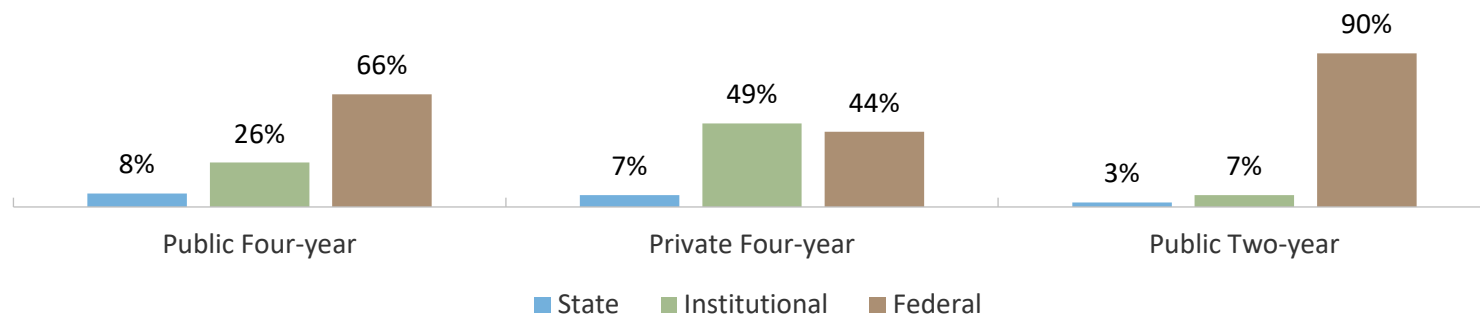
Net Price – Lower for Low-Income

Average Net Price for Full-time, First-time Undergraduates in Texas by Sector and Income Quintile (AY 2018-2019)

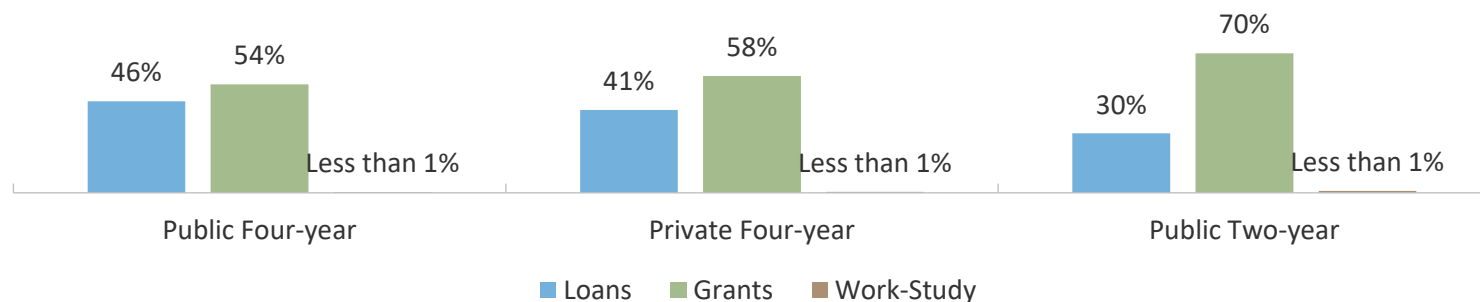


Texas Students Depend on Federal Aid

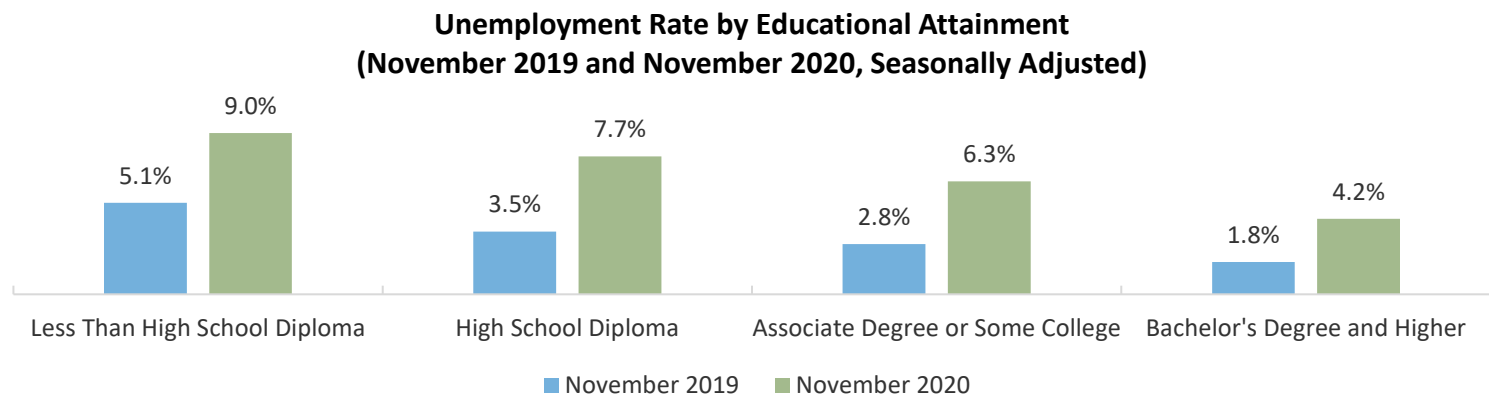
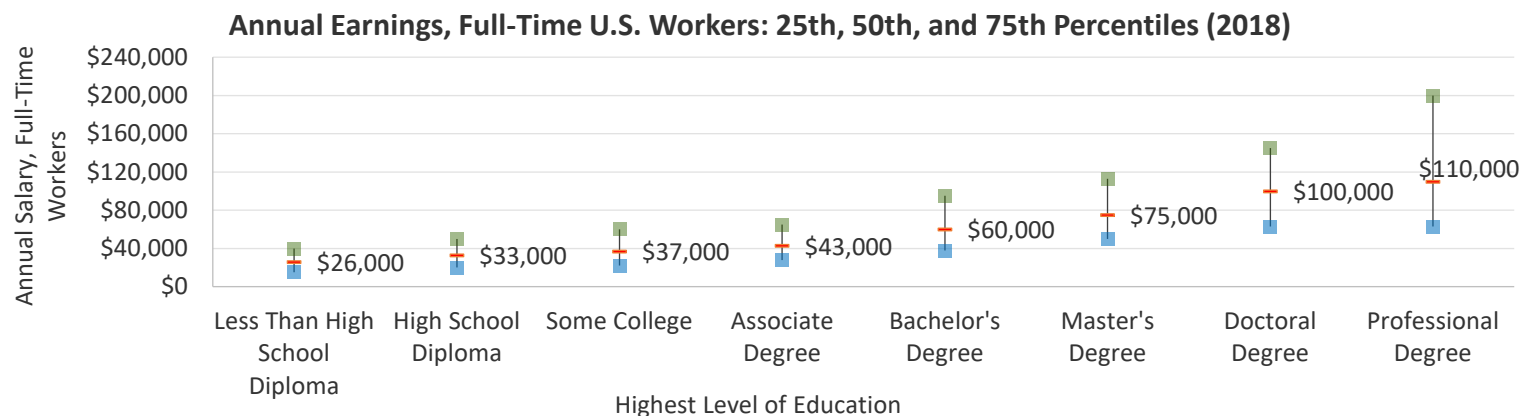
**Direct Student Aid by Source in Texas, by Sector
(AY 2018-2019)**



**Direct Student Aid From All Sources by Type in Texas, by Sector
(AY 2018-2019)**



Earnings and Unemployment Rates



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