

Affordability  
December 2021

BACKGROUND

**Key Performance Indicators (KPI)**

Rock Valley College (RVC) has identified KPI to inform the college community about institutional health and development. The College KPI are presented in five categories aligned to Illinois Board of Higher Education (IBHE) Public Agenda Goals. College KPI categories include *Educational Attainment, Access, and Success; Affordability; Educational Quality; Accountability; and Addressing Regional Economic Needs.*

**Affordability**

The KPI category of *Affordability* is aligned to the IBHE Public Agenda Goal of *Ensuring College Affordability*, which is defined by decreasing the percentage of family income required to pay net cost of attendance for low- and middle-income families and average amount of debt per undergraduate student.

RESULTS

**Average Net Price and Family Income**

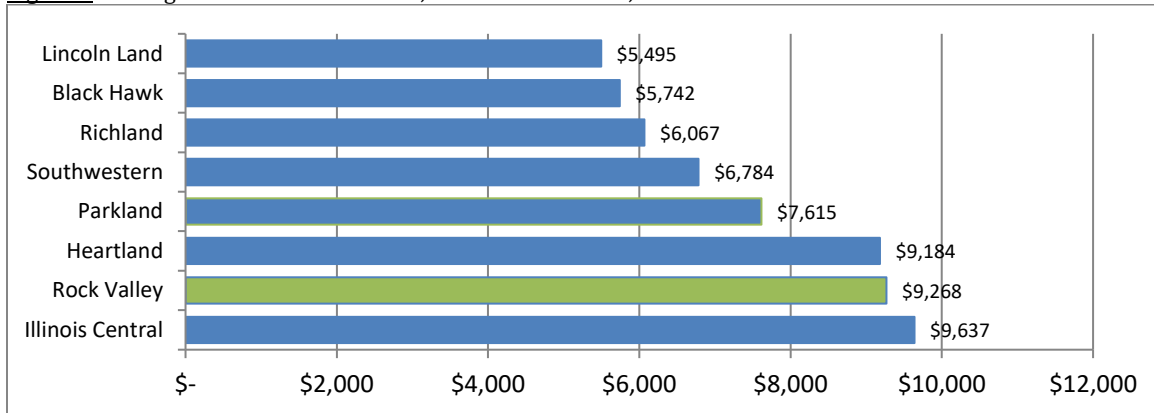
Average net price is calculated by subtracting the average amount of federal, state/local, institutional and other sources of grant or scholarship aid received by students from the total cost of attendance. Total cost of attendance includes tuition and fees, books and supplies, room and board, and other expenses (i.e., laundry, transportation, entertainment, and furnishings). Average net price includes both money paid out-of-pocket and loans applied toward education. Figure 1 shows the average net price of RVC for full-time, first-time students compared to its peer institutions.

**NOTE:**

The Higher Education Opportunity Act of 2009 requires colleges using Title IV funding to provide an online calculator that provides approximations of college costs based on specified inputs.

RVC's *Net Price Calculator* can be found at [www.rockvalleycollege.edu/FinancialAid](http://www.rockvalleycollege.edu/FinancialAid).

Figure 1: Average Net Price for Full-time, First-time Students, RVC and Peer Institutions 2019-2020



Source: IPEDS-College Navigator

As Figure 1 indicates, RVC's average net price for full-time, first-time students is \$9,268. This falls above the peer group average of \$ 7,474 for 2019-2020.

Table 1 shows the average net price by income range for full-time, first-time students attending Rock Valley College.

Table 1: Average Net Price for RVC Full-time, First-time Students by Income Range<sup>1</sup>

Income Range	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	5-year Change	5-year % Change
\$0 - 30,000	\$5,622	\$6,997	\$6,687	\$6,249	\$8,242	\$2,620	47%
\$30,001 - 48,000	\$6,775	\$7,943	\$7,917	\$7,404	\$9,639	\$2,864	42%
\$48,001 - 75,000	\$8,271	\$9,931	\$10,175	\$9,532	\$11,638	\$3,367	41%
\$75,001 - 110,000	\$10,782	\$11,004	\$11,476	\$10,530	\$13,080	\$2,298	21%
\$110,001 and more	*	\$8,090	*	*	*	N/A	N/A
Overall	\$6,803	\$8,275	\$8,419	\$7,603	\$9,268	\$2,465	36%

Source: *IPEDS-College Navigator*

\*Average Net Price is not reported for income ranges with fewer than two students.

Data in Table 1 indicate that:

- In 2019-2020, average net price increased as family income increased. This is consistent with expectations because the amount of need-based grant aid available to student's decreases as income increases.
- Overall, average net price has increased by 36% over the 5 year period.
- While the average net price is increasing at all income levels, the largest percentage increase was experienced in the \$30,001 – \$48,000 range.

Table 2 shows the percentage of family income required to pay for college varies by income level for RVC students. Source: *IPEDS-College Navigator*

Table 2: Percentage of Income Used to Pay for College by Income Range for RVC Full-time, First-time Students<sup>2</sup>

Income Range	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	5-year Change
\$0 - 30,000	37%	47%	45%	42%	55%	↑
\$30,001 - 48,000	17%	20%	20%	19%	25%	↑
\$48,001 - 75,000	13%	16%	17%	15%	19%	↑
\$75,001 - 110,000	12%	12%	12%	11%	14%	↑

<sup>1</sup> Average net price is for students entering college for the first time, paying in-district tuition, and receiving grants or scholarships.

<sup>2</sup> Percentages based on midpoint of income range.

Data in Table 2 indicate:

- The percentage of income used to pay for college has increased for all income ranges.
- Over the five years of reported data, the percentage of income used to pay for college increased from 42% to 55% for students with family incomes at or below \$30,000.
- Over the same time period, the percentage of family income used to pay for college increased from 19% to 25% for students with family incomes in the \$30,001 – 48,000 range, from 15% to 19% for students with family incomes in the \$48,001 – 75,000 range, and from 11% to 14% it increased for students with family incomes in the \$75,001 – 110,000 range.
- Students in the lowest income bracket (\$0 - 30,000) used 55% of their income to pay for college in 2019-2020, compared to 14% for those in the highest income bracket (\$75,001 - 110,000).

### Student Debt

Unless an individual has sufficient earnings or savings to cover net price, the difference between cost of attendance and grant aid is covered with student loans<sup>3</sup>. Table 3 shows the national percentage of students borrowing to pay for their education and the average amount borrowed by type of institution (2017-2018). Private for-profit institutions included less-than-2-year, 2-year, and 4-year institutions in (2015-2016) but not in (2017-2018)

**Table 3:** Percentage of Undergraduates with Student Loans and Average Amount Borrowed by Type of Institution (2017-2018)<sup>4</sup>

Institution Type	% with Student Loans	Average Dollars Borrowed
Public 2- year	14.6%	\$4,800
Public 4- year	42.9%	\$6,700
Private for profit 2-year	49.5%	\$7,400
Private 4-year	58.9%	\$8,200
Private nonprofit 4-year	54.2%	\$7,300

Source: U.S. Department of Education, National Center for Education Statistics, 2015–16 2017–18 National Postsecondary Student Aid Study, Administrative Collection (NPSAS:18-AC): First Look at Student Financial Aid Estimates for 2017–18

The data in Table 3 indicate that fewer students (14.6%) attending public two-year institutions will have student loans compared to other types of institutions. Also, students attending public, two-year colleges on average borrow the least amount of money to pay for their education. The average amount borrowed by these students is \$4,800

<sup>3</sup> Student loans include federal, state, institutional, and private (alternative) loans. Student loans do not include Direct PLUS Loans to parents.

<sup>4</sup> The National Postsecondary Student Aid Study (NPSAS) is conducted every four years to inform public policy.

Figure 2 shows the average borrowing, including all types of loans, of full-time, first-time students at RVC and peer institutions. Data in Table 3 and Figure 2 indicate:

- The average amount borrowed by RVC students in 2019-2020 (\$4,226) is less than the national average for two-year, public institutions from 2017-2018 (\$4,800) and higher than the peer average from 2019-2020 (\$3,941).
- On average, RVC students borrow less than their peers at every college in the peer group, except for Southwestern, and Parkland

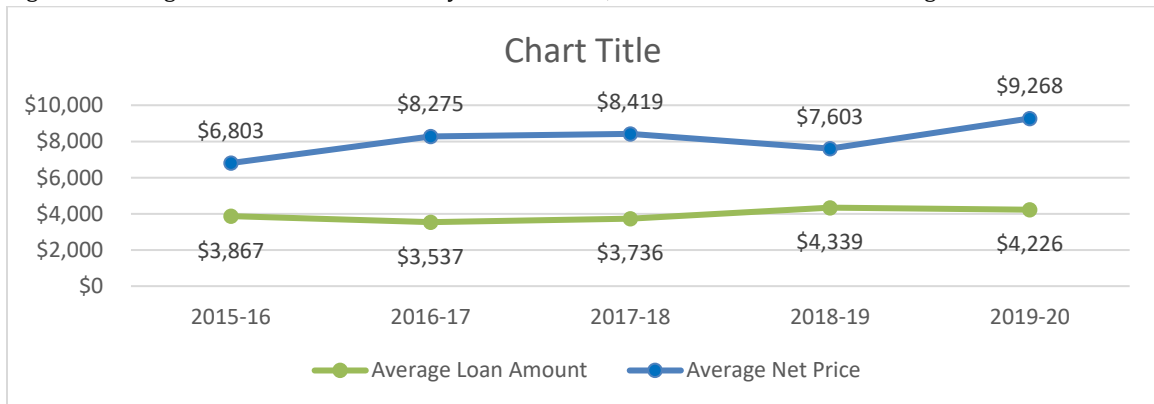
**Figure 2:** Average Loan Amount Received by Full-time First-time Students, RVC and Peer Institutions 2019-2020



Source: *IPEDS-College Navigator*

Figure 3 shows the average borrowing, including all types of loans, of full-time, first-time students at RVC and Average Net Price over a five year period.

**Figure 3:** Average Loan Amount Received by RVC Full-time, First-time Students and Average Net Price



Source: [IPEDS Data Center](#)

Data in Figure 3 indicate:

- Overall, the average amount borrowed by RVC students increased by 84% over the five years reported.
- Over the same time period, average cost of attendance increased by 27%

## FINDINGS AND CONCLUSIONS

*Affordability* is a measure of the ability to pay for college, examined as an institutional KPI category. Specifically, data within this summary report support decision making about efforts to lower the percentage of family income required to pay for college and to lower the average amount of loan debt per student.

**Lowering the Percentage of Family Income Required to Pay Net Cost of Attendance**

Data indicate an overall increasing trend in the average net price for RVC full-time, first-time students over the last five years of reported data. The greatest dollar amount (\$3,367) was experienced by the family income range (\$48,001-75,001) and at the fastest rate (47%) was experienced by the family income range (\$0-30,000).

Data also indicate an overall increasing trend in the percentage of family income used to pay for college for all family income ranges. Students in the lowest family income range (\$0-30,000) have experienced the greatest increase in percentage of income used to pay for college.