



University of Connecticut

The Banks Committee and the Higher Education
and Employment Advancement Committee
Invitational Forum

On

The Effect of the Subprime Mortgage Crisis on
the Availability of Funds for Student Loans

September 10, 2008

Indicators of Success

- UConn is among the top universities in the nation and is rated the #1 public university in New England for the past 10 years *(U.S. News & World Report)*
- UConn ranked in the top 30 best value public colleges for in-state costs *(Kiplinger's Personal Finance)*
- 94% of recent graduates are either employed or are in graduate/professional schools
- 68% of those working full-time are doing so in CT



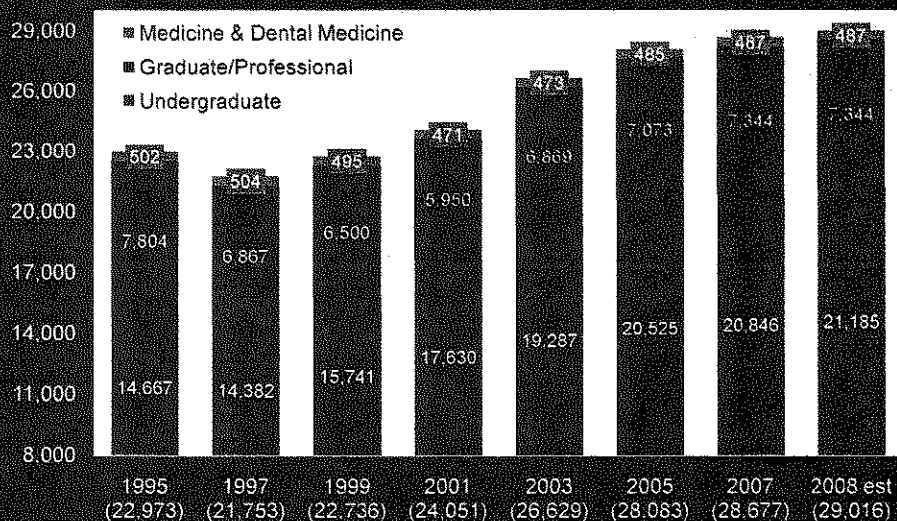
Student Quality & Diversity: Exceeding Expectations

Storrs & Regional Campuses

- Fall 2008 estimates compared to fall 1995 at Storrs:
 - Applications will increase 113% (9,874 to 21,057)
 - Freshman enrollment will increase 77% (2,021 to 3,583)
 - Freshman minority enrollment will increase 153% (308 to 780)
 - SAT scores will increase 87 points from fall '96 (1113 to 1200)
 - Valedictorians and salutatorians will increase to 149, bringing the total since 1995 to 1,077 at all campuses

Student Enrollment

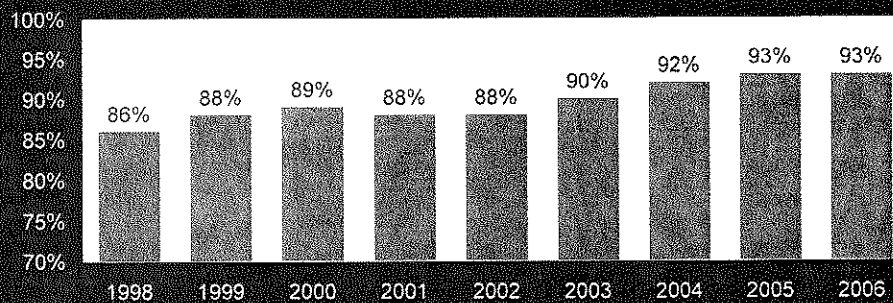
Undergraduate enrollment is projected to increase 44% from 1995 to 2008



Freshmen Retention Trend

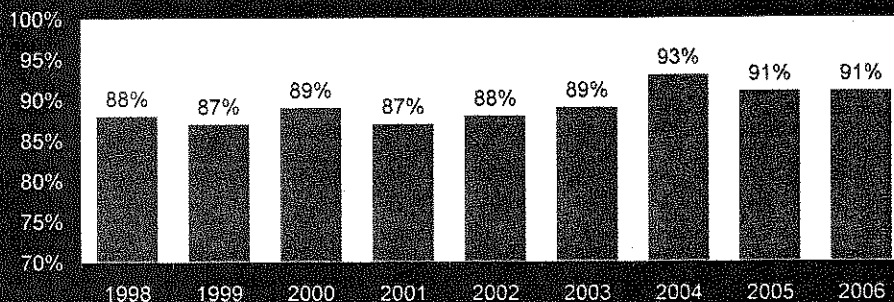
Storrs Campus

- Fall 2005 freshman retention rate is substantially higher than the 80% average for 438 colleges & universities in the national Consortium for Student Retention Data Exchange (CSRDE)



Minority Freshmen Retention Trend

Storrs Campus

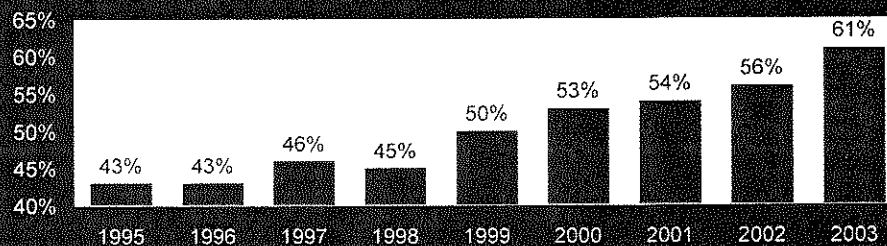


- Fall 2005 minority freshman retention rate is also substantially higher than the national 79% average (CSRDE)

4-Year Graduation Trend

Storrs Campus

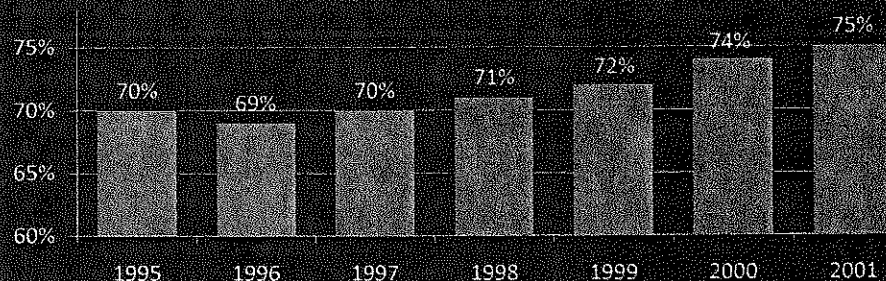
- UConn's ranking among the 58 Public Research Peer Universities:
 - Fall 2000 4-year graduation rate of 53% ranks 10th
 - Fall 2000 average time to graduate of 4.3 years ranks 5th
 - Only University of Virginia-Main Campus, University of North Carolina at Chapel Hill, University of Michigan-Ann Arbor & University of Illinois at Urbana-Champaign rank higher



6-Year Graduation Trend

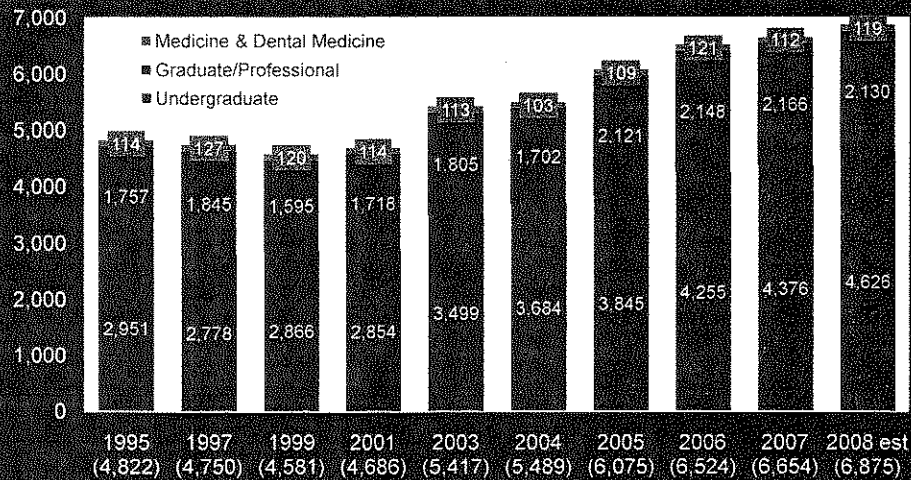
Storrs Campus

- UConn's ranking among the 58 Public Research Peer Universities:
 - Fall 2000 6-year graduation rate of 74% ranks 21st
 - Fall 2000 6-year minority graduation rate of 69% ranks 20th



Degrees Awarded

Undergraduate degrees have increased 57% since 1995

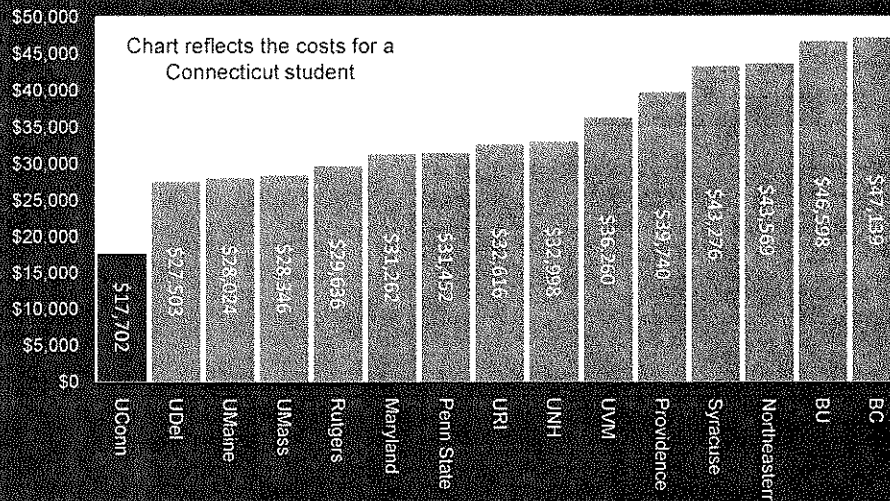


Approximately 103,800 alumni live in Connecticut

UConn's Affordability FY08 Tuition, Fees, Room & Board*

	In & Out of State		In State	Out of State
<u>Private Schools</u>		<u>Public Schools</u>		
Boston College	\$47,139	Penn State	\$20,584	\$31,452
Boston Univ	\$46,598	Rutgers	\$20,468	\$29,636
Fairfield	\$44,735	Univ Vermont	\$20,376	\$36,260
Northeastern	\$43,569	Univ New Hampshire	\$20,038	\$32,998
Syracuse	\$43,276	Univ Massachusetts	\$17,768	\$28,346
Quinnipiac	\$39,920	Univ Rhode Island	\$17,762	\$32,616
Providence	\$39,740	Univ Connecticut**	\$17,702	\$31,646
Univ Hartford	\$38,454	Univ Maryland	\$17,023	\$31,262
* Board rates reflect the most expensive meal plan available.		Univ Delaware	\$16,253	\$27,503
** 34% of degree-seeking undergrads do not pay room & 42% do not pay board		Univ Maine	\$15,814	\$28,024

UConn's Affordability FY 2008 Tuition, Fees, Room & Board*



*Board rates reflect the most expensive meal plan available.

Total Financial Aid (\$M)

Storrs & Regional Campuses

	<u>FY07</u>	<u>FY08</u> Forecast	<u>FY09</u> Budget	<u>% Change</u> (FY07-FY09)
Need-Based Grants	\$50.7	\$54.1	\$59.9	18.1%
University Scholarships	24.9	25.4	28.6	14.8%
Non-University Scholarships	5.1	5.2	5.5	7.8%
Loans (federal & private)	118.2	128.2	134.8	14.0%
Tuition Waivers	<u>37.8</u>	<u>41.6</u>	<u>43.9</u>	16.1%
Subtotal	\$236.7	\$254.5	\$272.7	15.2%
Work Study/Student Labor	<u>13.9</u>	<u>15.5</u>	<u>16.3</u>	17.2%
Total Financial Aid	\$250.6	\$270.0	\$289.0	15.3%

Tuition Funded Financial Aid (\$M)

Storrs & Regional Campuses

	<u>FY08</u> Forecast	<u>FY09</u> Budget
Total Tuition Funded Financial Aid	\$87.3	\$95.9
Total Tuition Funded as a % of Gross Tuition Revenue	37.9%	38.8%
Tuition Funded Need-Based as a % of Net Tuition Revenue	16.7%	17.5%
DHE Need-Based Set Aside Policy	15.0%	15.0%

A date to date comparison illustrates that student loan numbers and dollars are comparable for the Fall 07 and the Fall 2008

	<u>2007-2008</u>		<u>2008-2009</u>	
	<u>Number</u>	<u>\$ Amount</u>	<u>Number</u>	<u>\$ Amount</u>
Federal Stafford Loan	12,285	\$31.4 M	12,187	\$31.0 M
Federal PLUS Loan	2,191	\$12.6 M	2,176	\$13.8 M
Alternative Loan	1,476	\$8.7 M	1,443	\$9.7 M

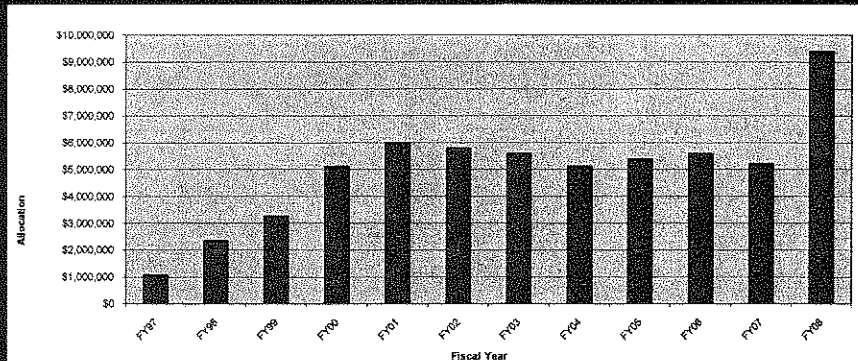
We Attribute this to.....

- The implementation of the Ensuring Continued Access to Student Loans Act (ECASLA)
- Increase in the maximum Federal Pell Grant
- Significant commitment by the State to the Connecticut Aid to Public Colleges Grant
- The University's continued commitment to ensuring access and student success -- the University did not reduce its financial aid budget as part of its spending reduction plan to meet the 3% state-wide budget rescission

Financial Aid Summary

- All tuition, fees, room & board increases have been accompanied by an off-setting increase in financial aid to ensure that any qualified student can attend the University regardless of financial means
- For FY09, total aid is projected to increase 7.4% and need-based grants are projected to increase 10.9%
- Meet direct educational expenses for the neediest in-state students first
- 77% of students (undergraduate and graduate) received aid in FY08

University of Connecticut (Storrs & Regional Campuses) Connecticut Aid to Public Colleges Grant FY97 – FY08



In FY 07 CAPCS 2827 UCONN students were awarded an average of \$1780 in the CAPCS program. In FY 08 3573 student were assisted by CAPCS, an increase of 746 and the average award increased to \$2574.

Recommendations

- We applaud the General Assembly for recognizing the needs of Connecticut's college students and their families by increasing it's commitment to CCICS & CAPCS in FY 08 and urge you to maintain that pledge of support in future years
- Additionally, we advocate for continued funding for all of the state's financial aid programs.