

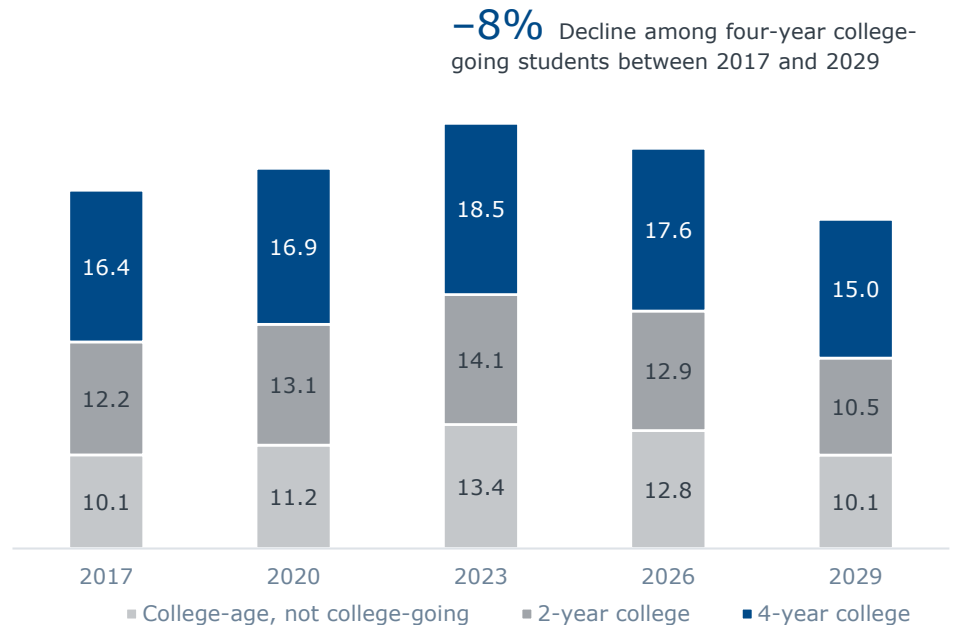
State Outlook: Iowa

Demographics Trends

Recruitment Pool to Shrink in the Next Decade

An uptick in enrollment of four-year college-going students between 2017 and 2023 will be followed by a sizable decrease (a 19% decline post 2023).

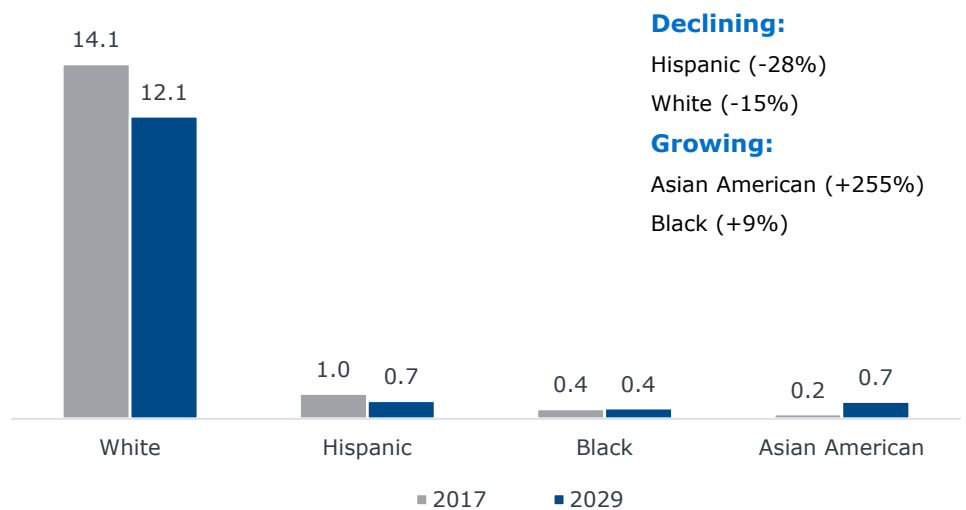
Forecasted Number of College-Aged and College-Going Students in Iowa (Thousands), by Year of High School Graduation



Large Decline in White Student Population

The Non-Hispanic White student population will decrease by 15% over the next decade with a loss of about two thousand students. The Hispanic student segment will also decrease in size while the Asian American population will grow significantly.

Projected Number of Four-Year College-Going Students in Iowa (Thousands), by Race/Ethnicity



Source: Grawe, Nathan D., *Demographics and the Demand for Higher Education*, 2017; EAB analysis.

State Outlook: Iowa

Affordability Trends

Household Income Distribution Largely Mimics National Figures

46% of Iowa households make less than \$50,000 per year, identical to the national average. However, fewer households in Iowa are in the wealthiest groups, making more than \$100,000 annually (20% in Iowa vs. 25% nationally).

IA's Public Institutions Less Affordable than Most States

The average net price at Iowa's public institutions is 25% of the state's median household income, making it less economical to enroll in public education in Iowa than in most states.

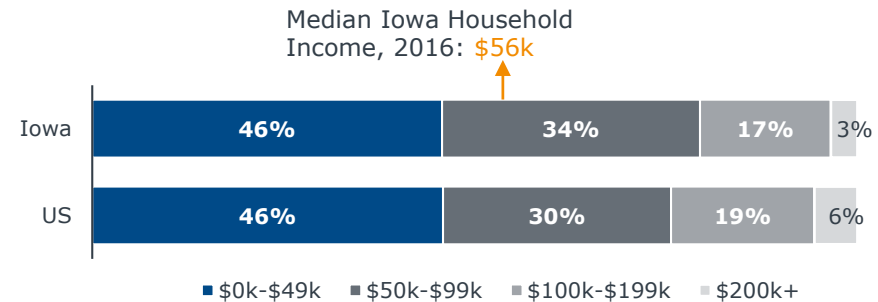
IA's Private Colleges More Affordable Than Median States'

In contrast to publics, private institutions in Iowa are more budget-friendly than in the median US state.

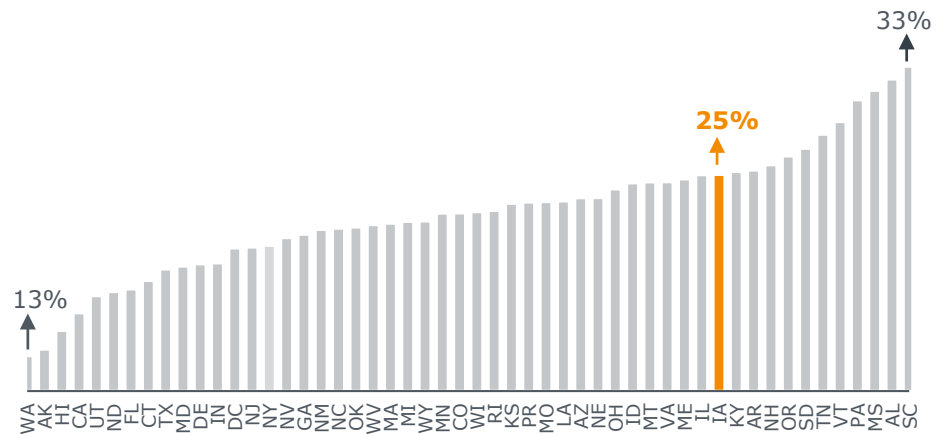
More Debt Among Graduates

More college graduates are in debt in Iowa compared to the rest of the country. Average debt per borrower is also slightly higher than that of the average US borrower.

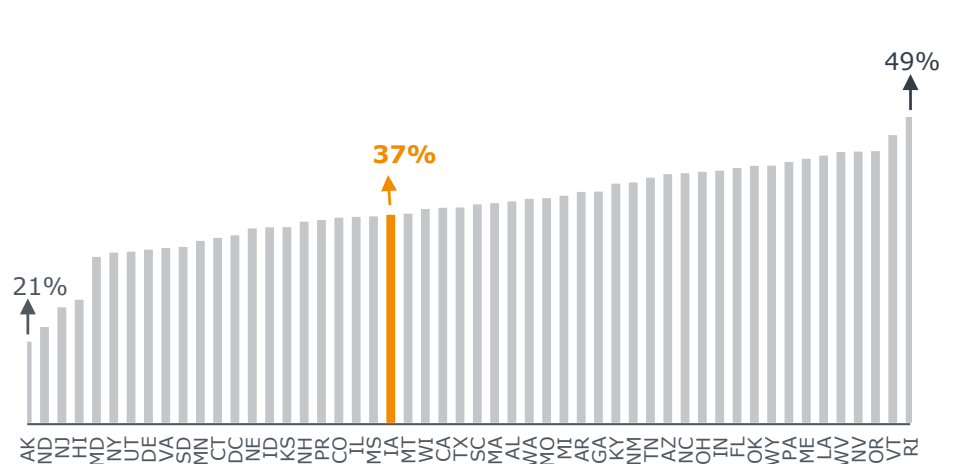
Number of Households by Income Segment (Thousands), 2016



Average Public Institution Net Price as % of Median Household Income



Average Private Institution Net Price as % of Median Household Income



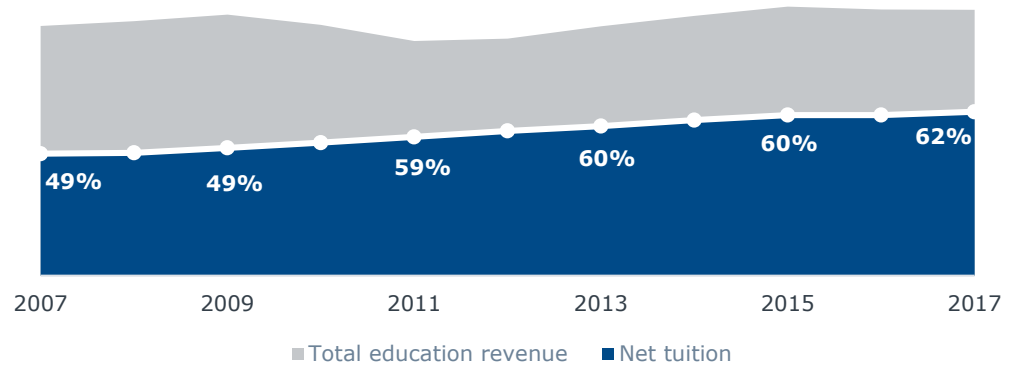
State Outlook: Iowa

Funding and Appropriations Trends

Reliance on Net Tuition Increased Post-Recession

Reliance on net tuition has increased gradually over the last decade. Net tuition now comprises 62% of total education revenue in Iowa – an increase of 13 percentage points since 2007.

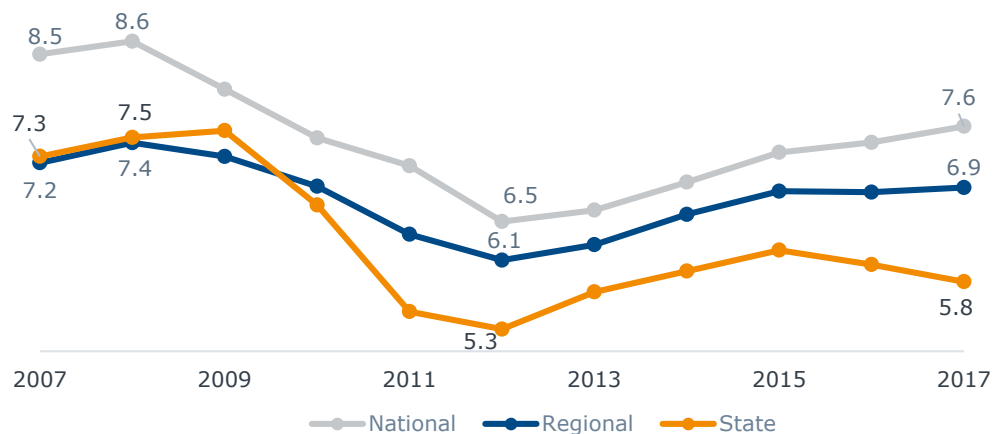
Net Tuition as a Proportion of Total Education Revenues, per Student FTE



IA's Educational Appropriations per Student Lower Than Regional and National Levels

After a dramatic decline between 2009 and 2012, Iowa's educational appropriations have remained well below both regional and national levels.

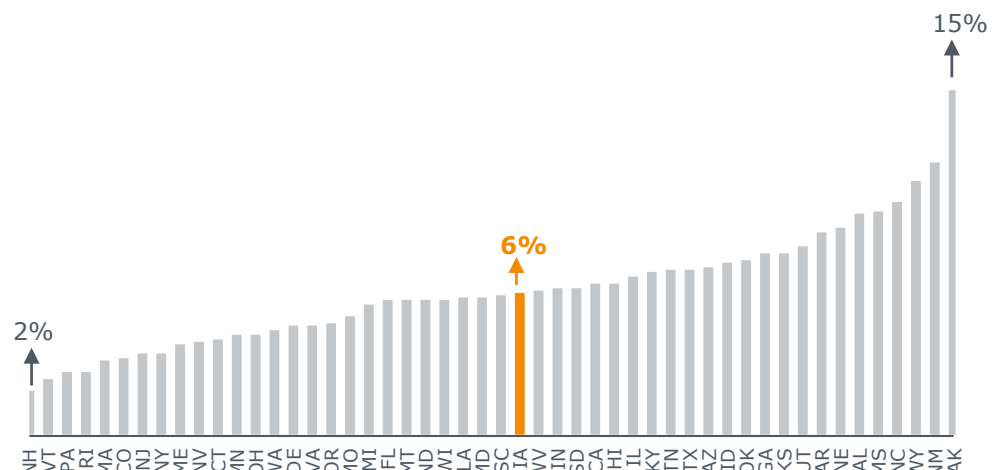
Educational Appropriations per Student FTE in IA, Regionally¹ and Nationally (Thousands), 2007-2017



IA Represents the Median State in Terms of Tax Revenues Allocated to Higher Education

While Iowa's educational appropriations are lower than the national average, the percentage of tax revenues allocated to higher education falls in the median range among all states.

Percentage of Tax Revenues Allocated to Higher Education by State, 2015



1) Refers to West North Central region, which includes Iowa, Kansas, Minnesota, Nebraska, North Dakota, South Dakota, and Missouri.

Source: "2016 State Higher Education Finance (SHEF) Report," State Higher Education Executive Officers, <http://www.sheeo.org/projects/shef-fy16/>; EAB analysis.