

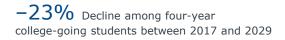
# State Outlook: Kentucky

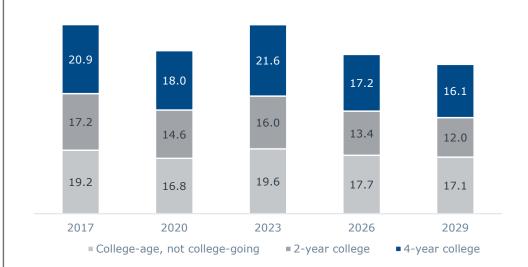
## **Demographics Trends**

#### Recruitment Pool Set to Shrink in the Next Decade

The largest decline in enrollment of four-year college-going students will occur post-2023 (25% decline in enrollment between 2023 and 2029).

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

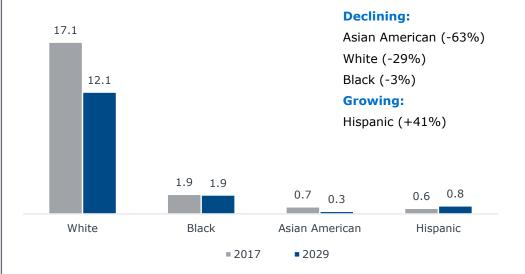




# Large Decline in White Student Population

The Non-Hispanic White student population will decrease by 29% over the next decade with a loss of about five thousand students. The Asian American student population will also experience a significant decline, while the Hispanic student segment will grow in size.

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



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

# State Outlook: Kentucky

## Affordability Trends

#### Higher Proportion of Low-Income Households

54% of Kentucky households make less than \$50,000 per year compared to 46% nationally in the same income category. Similarly, Kentucky has a smaller proportion of wealthy households making over \$100,000 per annum.

#### KY's Public Institutions Less Affordable Than Most States'

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

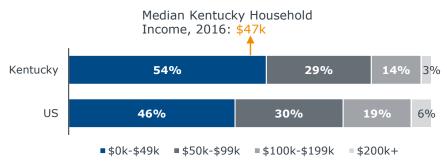
### KY's Private Institutions Less Affordable Than Most States'

Similar to publics, Kentucky's private institutions are less budget-friendly than private institutions in the majority of states in the United States.

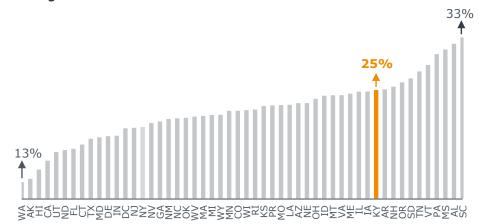
### Average Debt Among Graduates

An equal percentage of college graduates are in debt in Kentucky compared to the rest of the country. Average debt per borrower, however, is slightly higher than that of the average US borrower.

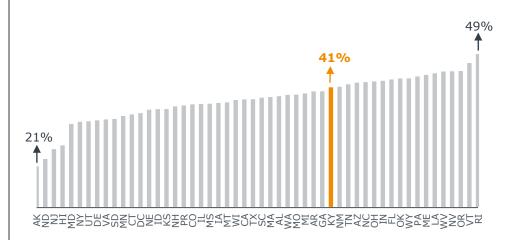
### Number of Households by Income Segment (Thousands), 2016



#### Average Public Institution Net Price as % of Median Household Income



### Average Private Institution Net Price as % of Median Household Income



#### Student Loan Statistics, 2016

Percentage of College Graduates with Student Debt	Kentucky	US
	60%	60%

Average Debt \$28,950 \$27,975

Source: IPEDS, National Center for Education Statistics; 2016 American Community Survey (ACS), U.S. Census Bureau; 2017 Student Loan Debt by School by State Report, LendEDU, 2018, <a href="https://lendedu.com/blog/student-loan-debt-statistics-by-school-by-state-2017">https://lendedu.com/blog/student-loan-debt-statistics-by-school-by-state-2017</a>; EAB analysis.



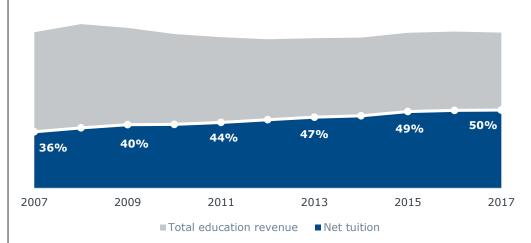
# State Outlook: Kentucky

# Funding and Appropriations Trends

#### Reliance on Net Tuition Increased Post-Recession

Net tuition now comprises half of total education revenue in Kentucky, an increase of 14 percentage points since 2007.

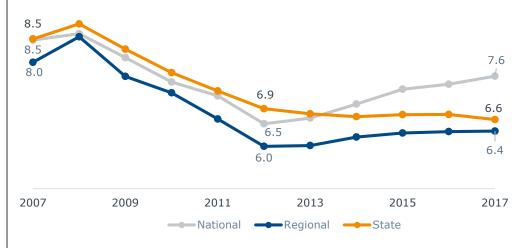
### Net Tuition as a Portion of Total Education Revenues, per Student FTE



### KY's Educational Appropriations per Student Below National Level

Following a steady decline since 2008, Kentucky's educational appropriations have now risen slightly above regional levels but are still much lower than the national average.

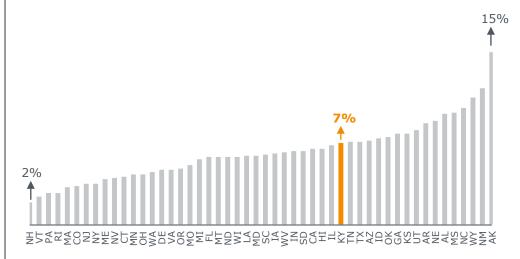
# Educational Appropriations per Student FTE in KY, Regionally $^{\rm 1}$ and Nationally, 2007-2017



## Higher Proportion of Tax Revenues Allocated to Higher Education

Kentucky allocated 7% of its tax revenues to higher education – a larger proportion than was allocated by 66% of US states.

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



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



