

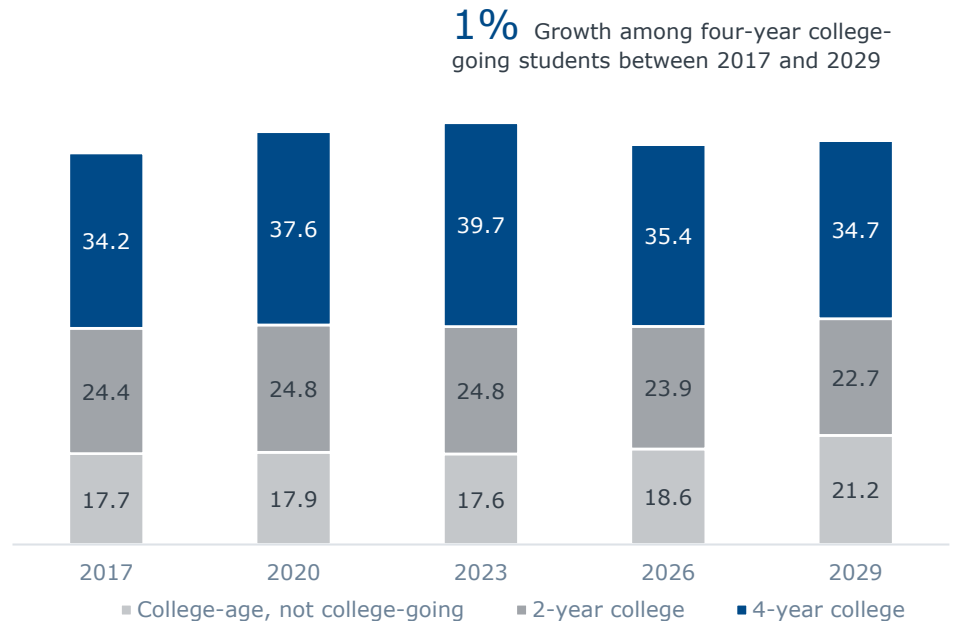
# State Outlook: Minnesota

## Demographics Trends

### Small Changes in Recruitment Pool over Next Decade

Enrollment of four-year college-going students will increase by 16% until 2023, followed by a 13% decline post-2023. Overall, the recruitment pool will not change substantially.

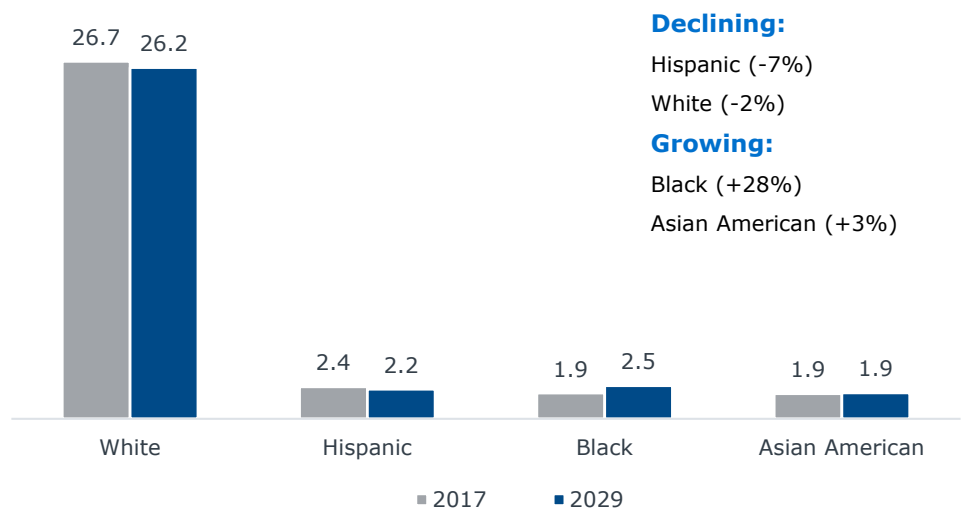
### Forecasted Number of College-Aged and College-Going Students in Minnesota (Thousands), by Year of High School Graduation



### Changing Profiles of College-Going Students

The White and Hispanic student populations will decrease slightly in size, while the Black student population will grow significantly (by 28%).

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



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

# State Outlook: Minnesota

## Affordability Trends

### Smaller Proportion of Low-Income Households

39% of Minnesota's households make less than \$50,000 per year compared to 46% nationally in the same income category.

### Close to Median in Terms of College Affordability

The average net price at Minnesota's public institutions is almost a quarter of the state's median household income, making it average in terms of affordability among all states in the United States.

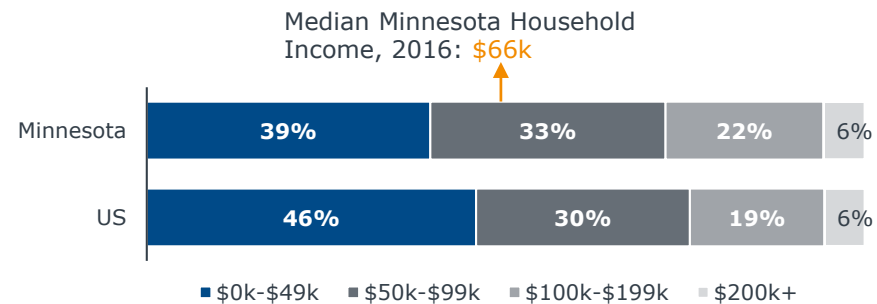
### MN's Private Institutions More Affordable Than Most States'

While Minnesota's private colleges are more expensive than their public counterparts (net price is 33% of median household income for privates vs. 23% for publics), the average net price as a percentage of median household income is lower in Minnesota than in most states.

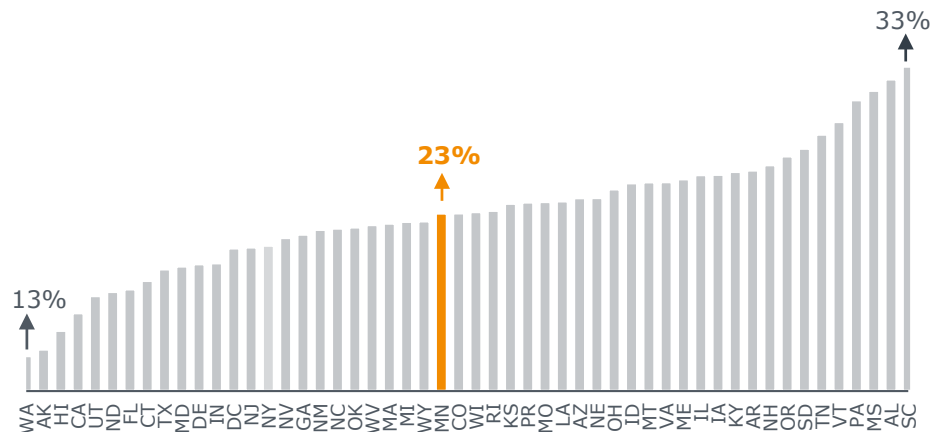
### More Debt Among Graduates

More college graduates are in debt in Minnesota compared to the rest of the country. Average debt per borrower is also 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



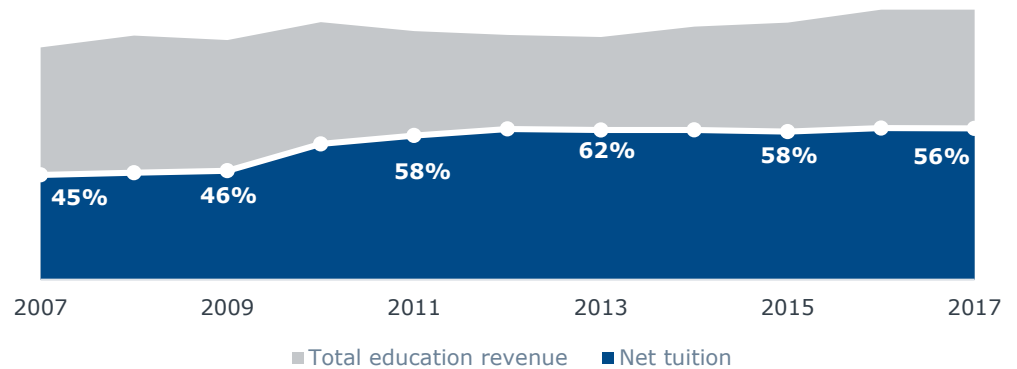
# State Outlook: Minnesota

## Funding and Appropriations Trends

### Reliance on Net Tuition Increased Post-Recession

Net tuition now comprises 56% of the total education revenue in Minnesota, an increase of 11 percentage points since 2007.

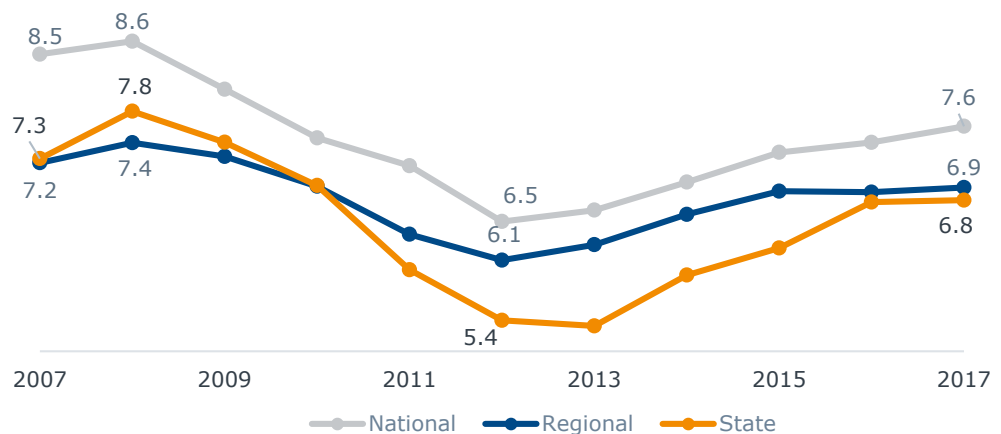
Net Tuition as a Proportion of Total Education Revenues, per Student FTE



### MN's Educational Appropriations per Student Below National Levels, Close to Regional Levels

After a dramatic decline between 2008 and 2013, Minnesota's educational appropriations have remained consistently below both regional and national levels. In 2016, Minnesota's appropriations per student bounced back to match regional levels but still fell well below the national average.

Educational Appropriations per Student FTE in MN, Regionally<sup>1</sup> and Nationally (Thousands), 2007-2017



### Smaller Proportion of Tax Revenues Allocated to Higher Education

Minnesota allocates 4% of tax revenues to higher education – a smaller proportion than is allocated by the majority of states in the United States.

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

