

# MINNESOTA'S NONPROFIT PRIVATE COLLEGES

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House Higher Education Committee Testimony

Paul Cerkvenik, President, Minnesota Private College Council

Rebecca Bergman, President, Gustavus Adolphus College, and MPCC Board Chair

Fayneese Miller, President, Hamline University

Barbara McDonald, President, The College of St. Scholastica

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# Collective Impact

54,700

undergraduate & graduate students are enrolled at MPCC institutions

32%

of Minnesota high school graduates who pursue bachelor's degrees in the state do so at our colleges

\$1.6 billion

directly added to Minnesota's economy by our institutions through spending on wages, operating costs, & construction

14,000

employees work at our colleges

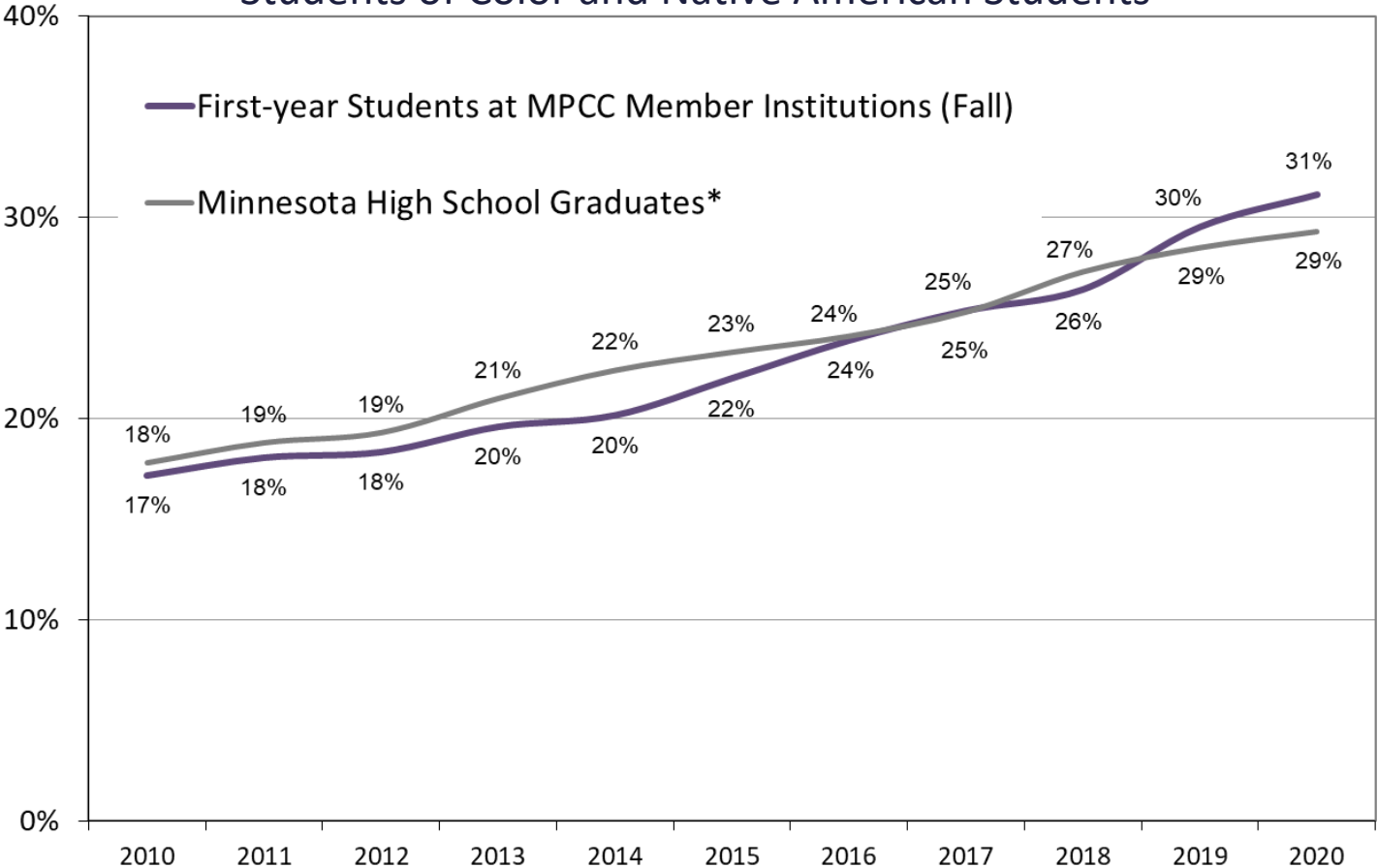
# The Students We Serve

- Students of color  
& Native American students: 28%  
*(international students not included)*
- First-generation students: 23%  
*(neither parent earned a degree)*
- Part-time students: 13%
- Non-traditional students: 12%  
*(25 or older)*

*And transfers account for 21% of new students*

# Student Access: Students of Color & Native American Students

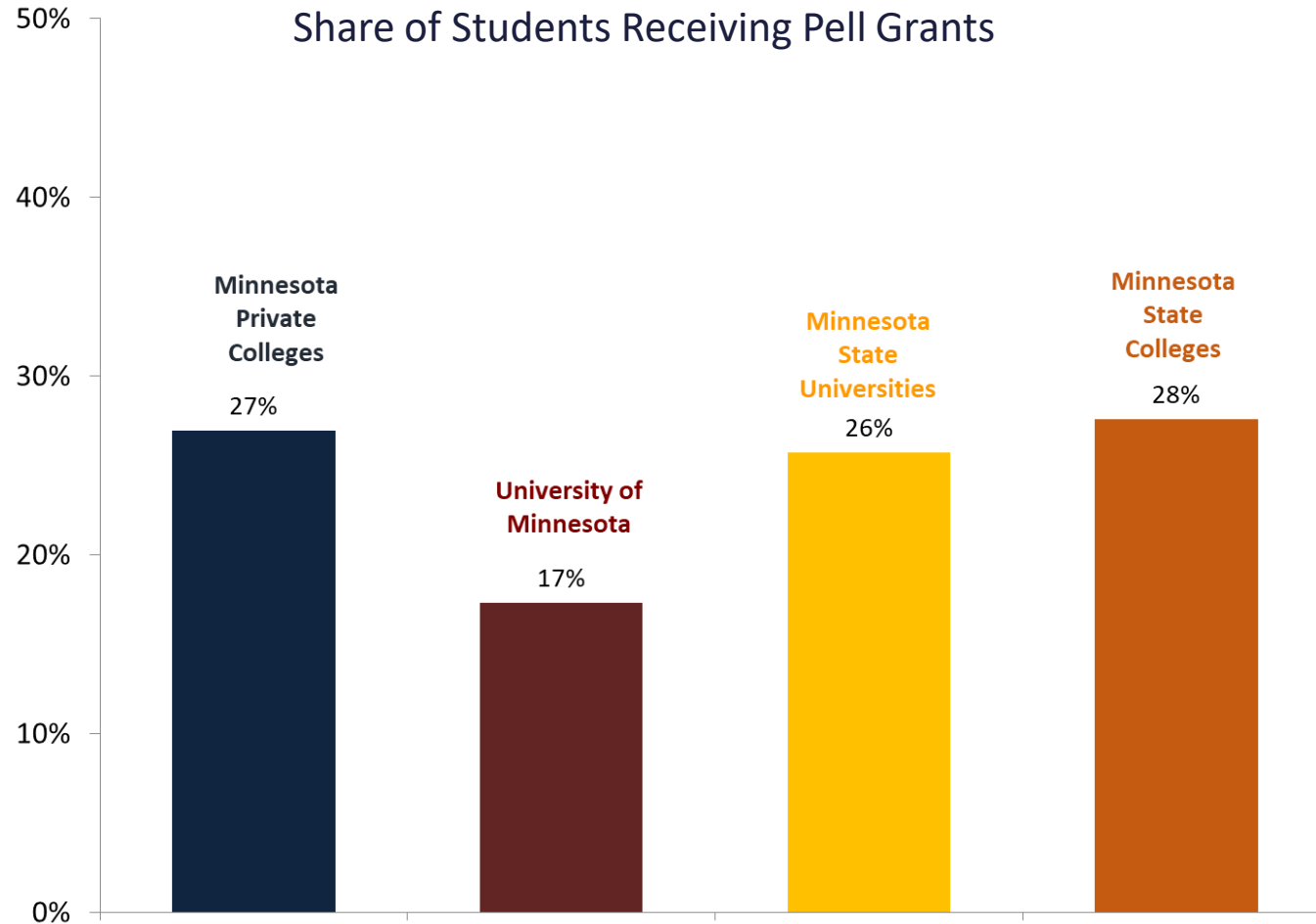
Share of MPCC First-year Students and MN High School Grads who are Students of Color and Native American Students



Note: This figure does not include international students or students for whom race/ethnicity is not reported.

\* Source: Western Interstate Commission for Higher Education, *Knocking at the College Door: Projections of High School Graduates*, 2020.

# Student Access: Pell Grant Recipients



Source: Office of Federal Student Aid & IPEDS enrollment data, 2018-19

# Success – On-time Graduation

68%

MPCC's collective four-year graduation rate ranks 2<sup>nd</sup> in the nation and 1<sup>st</sup> in Minnesota

55%

MPCC's collective four-year graduation rate for Pell Grant recipients ranks 1<sup>st</sup> in the nation and 1<sup>st</sup> in Minnesota

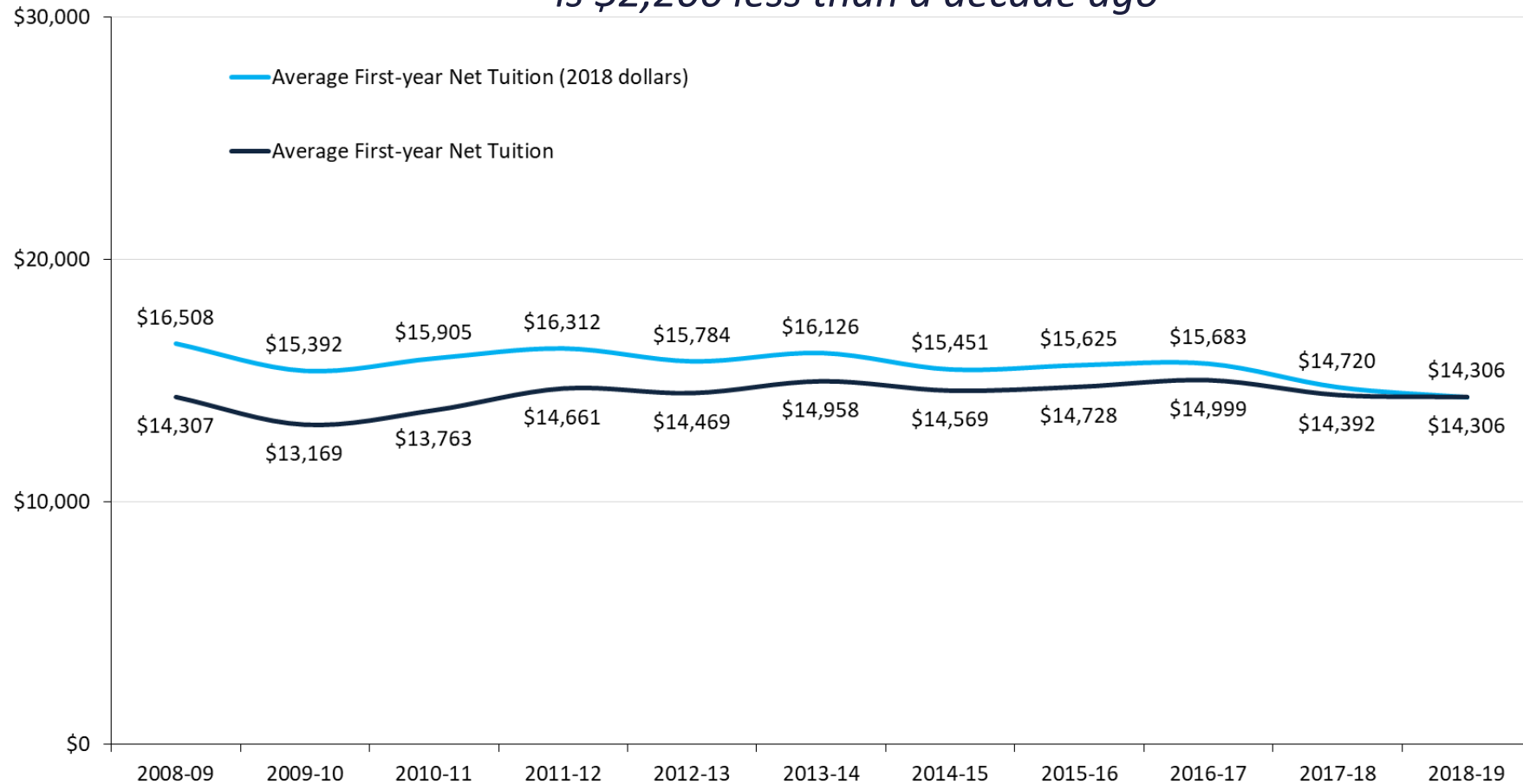
56%

MPCC's collective four-year graduation rate for students of color and Native American students ranks 10<sup>th</sup> in the nation and 1<sup>st</sup> in Minnesota

These stats compare MPCC collective graduation rates to both public and non-profit four-year graduation rates for each state

# Affordability

*Inflation-adjusted average net tuition for first-year students is \$2,200 less than a decade ago*





# Graduate Debt

30%

share of our graduates with no debt

\$28,000

the median debt of our graduates

<10%

the median monthly loan payment of our new graduates with debt is \$280, which is 8.2 percent of the median monthly earnings of \$3,443.

# Graduate Outcomes

ROI >\$1 million

the average return on investment for undergraduate students at our colleges is more than \$1 million (accounts for education costs and 40 years of earnings)

\$58,900

the median earnings of our alumni working in Minnesota 5 years after graduation

69%

the share of our recent graduates who stay in Minnesota after graduation

# Our Graduates

29%

## Share of bachelor's degrees awarded by our colleges

- 46% Physical sciences
- 39% Nursing
- 38% Foreign languages
- 34% Math and statistics
- 33% Business
- 32% Biological Sciences

46%

## Share of master's degrees awarded by our colleges

- 100% Physician Assistant
- 63% Social work
- 60% Education
- 53% Nursing
- 52% Business
- 40% Computer science

# Minnesota State Grant

- Targets need-based financial aid grants directly to low- and middle-income Minnesota residents to help pay tuition and living costs at Minnesota colleges
- Accounts for only 13% of the state's higher education budget
- Based on a model of shared responsibility:
  - Student Share — 50% of cost of attendance
  - Family Share — based on family income and derived from FAFSA
  - State and Pell Grant Share — for those students with remaining financial need

# State Grant Request

## Increase State Grants by Lowering the Student Share

- The pandemic is making college more unaffordable for students, disproportionately impacting students of color, Native American students, and lower-income students.
- The State Grant program expects students to pay too much – 50% of cost of attendance
- It is not possible for students to cover half of their college costs through reasonable work and borrowing
- Request: Invest \$67.5 million to lower the student share from 50% to 47%, which will increase average grants by \$319, maximum grants by \$500 to \$770, and thereby make college more affordable for low- and middle-income students

# Who Benefits from the State Grant Program

- 43% of Minnesota undergraduates receive a State Grant
- 56% of Minnesota students of color & Native American students receive a State Grant
- 64% of funds go to students attending public institutions – Community and Technical Colleges, State Universities, and the University of Minnesota
- 68% of State Grant recipients have family incomes lower than \$50,000

# State Grant Impact and Value

- Supports the students with the greatest need
- Closes attainment gaps and affordability disparities
- Improves on-time graduation rates
- Incentivizes students to stay in Minnesota
- Helps students attend the college that fits them best
- Reduces borrowing and future debt burden