
North Dakota University System

2024 Affordability Report



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North Dakota University System (NDUS) 2024 Affordability Report

College affordability is a significant factor in student access, retention, and completion. Tuition and fee rates are a component of affordability, as is the availability of financial aid programs from federal, state, institutional and private sources, among other factors. Strategically designed approaches to college affordability can better assist students in preparing for post-secondary education, accessing programs, and degree persistence. This report outlines key affordability factors within the North Dakota University System (NDUS) by focusing on student costs, net price, and availability of financial aid. This report includes regional comparisons, which include peer institutions from Arizona, Colorado, Idaho, Minnesota, Montana, Nevada, New Mexico, Oregon, South Dakota, Utah, Washington, and Wyoming. The comparison states include continental U.S. WICHE states, plus contiguous states.

Executive Summary

- The average 2023-24 total cost of tuition, fees, housing, and food, prior to financial aid and other discounts is \$21,244 at doctoral universities, 10% lower than regional peers, \$16,391 at Minot State University (master's), 20% lower than regional peers, and \$16,691 at four-year universities, 13% lower than regional peers. The average at two-year colleges was \$14,511, which continues to track above regional comparisons. (Chart 1)
- Basic needs, which are comprised of living expenses such as housing, food, transportation, daycare, and other personal expenses, account for 59% of the estimated costs in 2023-24. Books and supplies account for 5%, and tuition and fees account for 36% of expenses. (Chart 2)
- Both low-income earners and middle-income earners had either lower or comparable average net price to the regional comparisons at NDUS institutions, but lower income families require a greater percentage of their income to cover estimated net price at NDUS institutions compared to middle income families. (Chart 3a, 3b, and Table 1)
- Of all the aid disbursed in the past 5 years, 59% was in the form of student loans or Federal Work Study, institutional scholarships and waivers 19%, federal grants 12%, state funded scholarships and grants 6%, and private scholarships 4%. (Chart 4)
- In 2022-23, 54% of all NDUS students received some type of financial aid.
 - Of the aid disbursed, 56% was in the form of self-help aid (loans and work), below the 5-year average.
 - Forty-four percent of the aid disbursed was from non-repayable grants, scholarships, and tuition waivers. These non-repayable aid sources increased by \$10.6 million from the prior year. (Chart 5)
- Federal loan, grant and work aid within the NDUS in 2022-23 totaled \$142.29 million. This was a 16.9% decrease from 5 years earlier. (Chart 6 and Table 2)
- All NDUS institution types saw a reduction in total federal loan amount borrowed, number of borrowers, and percent of borrowers compared to headcount from 5 and 10 years prior to 2022-23. The drop in loan volume outpaced the drop in headcount. (Table 4)

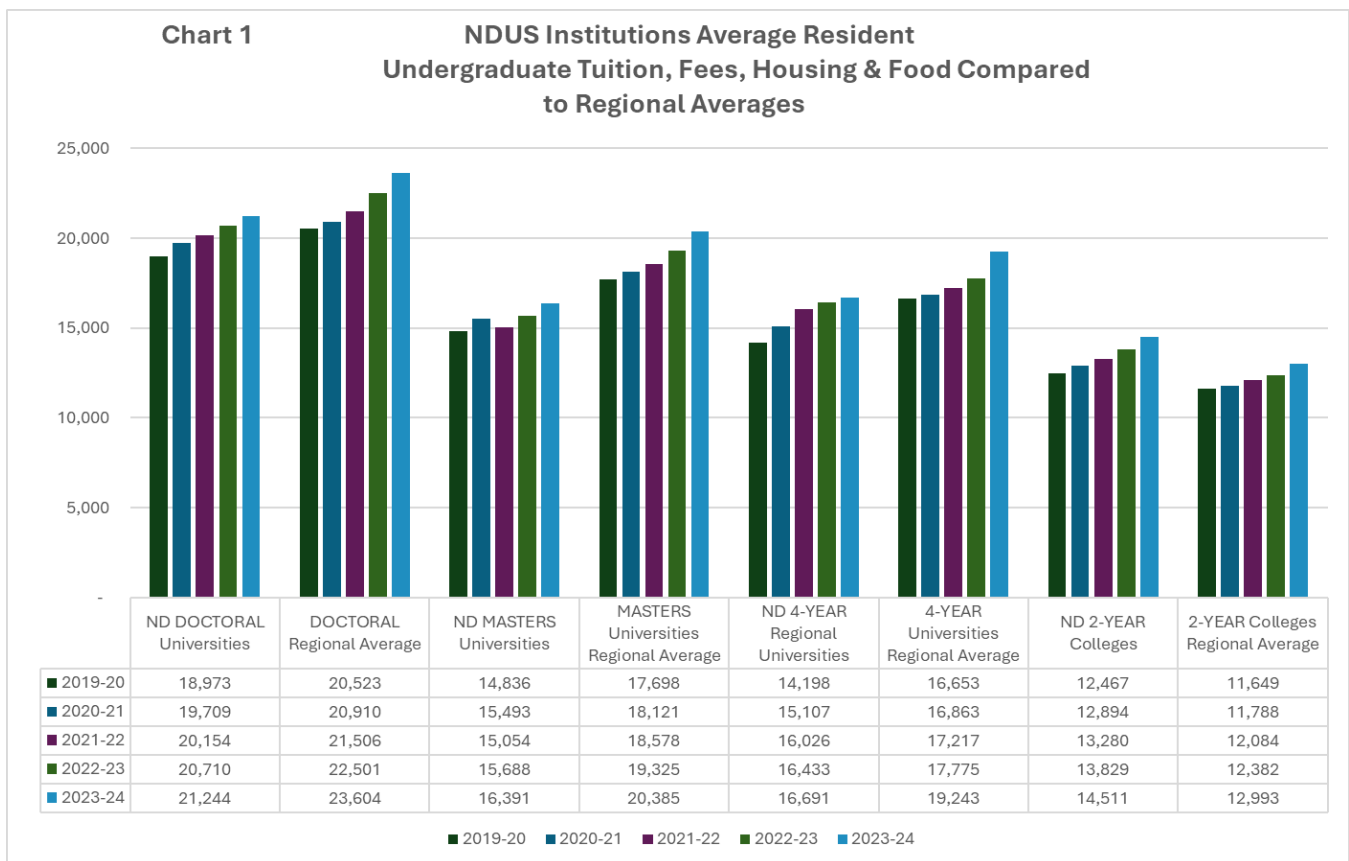
- Alternative student loan borrowing has been increasing while federal student loan borrowing has been decreasing. Parent PLUS loan borrowing has also increased, while Perkins Loan volume decreased to \$0 with the expiration of that federal program in 2017. (Chart 7 and Table 5)
- Student loan indebtedness for 2023 NDUS graduating undergraduates decreased by 2.7% from the prior year, averaging \$28,168. According to The College Board, nationally, the average loan debt among bachelor's degree recipients was \$29,400. (Chart 8)
- Grants, scholarships, and waivers totaled \$131.9 million in 2022-23, an increase of \$10.5 million from the prior year. (Chart 9)
 - Institutional scholarships totaled \$47.3 million, an 18% increase from the prior year.
 - Private scholarships totaled \$14.5 million, a 10% increase from the prior year.
 - Federal grants totaled \$34.1 million, a 1% increase from the prior year.
 - Tuition waivers totaled \$17.7 million, an 11% increase from the prior year.
 - State grants and scholarships were \$18.4 million, a 1% decrease from the prior year.
- In 2022-23 all scholarships, grants, and waivers covered 50% of gross tuition. When housing and food, and mandatory fees are added, the coverage dropped to 35%. Self-help aid (student loans and Work Study) help to fill the gap. Seventy-eight percent of gross tuition, fees, housing and food charges are covered by all aid sources (scholarships, grants, waivers, loans, work.)
- On average over a 5-year period, Post 9/11 GI Bill benefits and Department of Defense Tuition Assistance contributed an additional \$7.2 million annually to 1,581 students. (Table 7)

Tuition, Mandatory Fees, Housing and Food

The average tuition, fees, housing, and food for NDUS doctoral universities, masters universities, and four-year regional universities is less than the regional peer institutions in 2023-24. The two-year college costs are above the regional comparisons. Regional comparisons include peer institutions from Arizona, Colorado, Idaho, Minnesota, Montana, Nevada, New Mexico, Oregon, South Dakota, Utah, Washington, and Wyoming. These institutions represent continental U.S. WICHE states plus contiguous states.

Regional two-year peer institutions may have other funding sources available to manage the instructional delivery cost, such as local funds. As an example, two-year community colleges might follow a funding model formula of one-third of support to cover instructional delivery costs comes from state funds, one-third comes from tuition, and one-third comes from local support from the community. Each state has its own community college funding model that lowers the instructional cost, tuition, mandatory fees, housing, and food rates, such as tax levies, state funding, local funding, or others. A FY2022 SHEEO report detailing local appropriations for public institutions showed that several of the peer institution states had significant support from local funds. The differences in two-year community college funding models, related to the impact of local funding, are not accounted for in Chart 1, which only details estimated student costs.

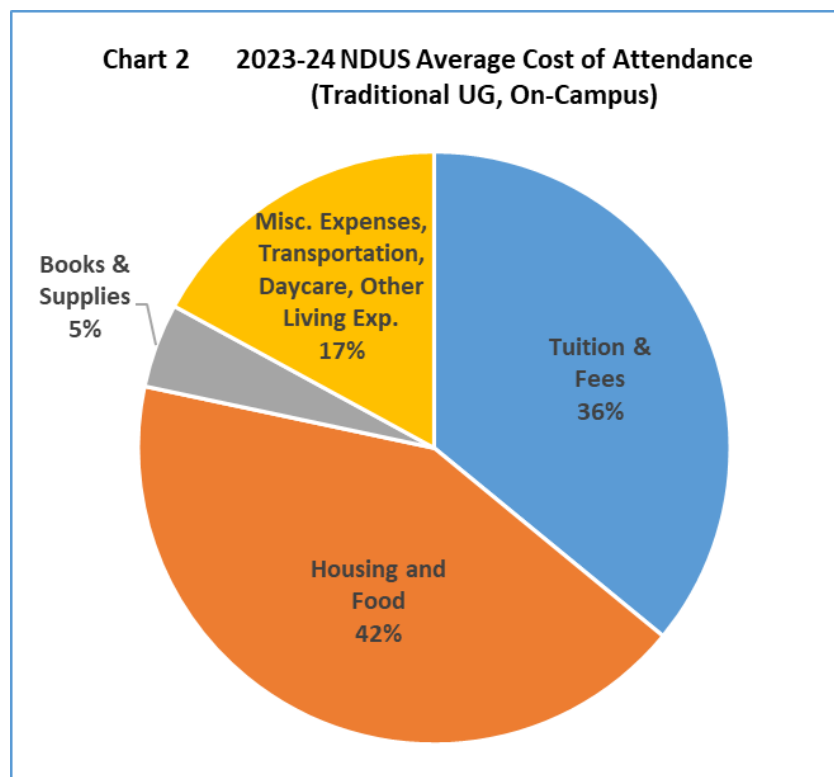
The 68th Legislative Assembly required the State Board of Higher Education (SBHE) to keep undergraduate resident student tuition rates for 2023-24 and 2024-25 at the same tuition rates charged in 2022-23. The SBHE may increase undergraduate differential resident student tuition rates and graduate resident student tuition rates by up to 1% each year.



Cost of Attendance

Basic needs impact a student's ability to afford college. As the National College Attainment Network (NCAN) noted, "Although tuition is often at the forefront when "paying for college" comes up, college affordability goes well beyond tuition and fees covered by financial aid. Expenses like purchasing textbooks and other course materials, housing and transportation, childcare, health insurance, and other personal expenses are also relevant." [Breen, S. (2021, November 17). *College affordability fast facts: Tuition is not enough* - NCAN. <https://www.ncan.org/news/586889/College-Affordability-Fast-Facts-Tuition-Is-Not-Enough.htm>].

Costs can vary by campus, program, and individual student. A look at the NDUS 2023-24 cost of attendance (COA) components, which are used in awarding financial aid, shows that housing, food, and other living expenses, such as transportation, daycare, and other personal expenses, account for 59% of a traditional undergraduate student's estimated budget to attend college, as shown in Chart 2. These basic needs have a real impact on affordability. Tuition and fees account for 36% of estimated costs, and books/supplies 5%.

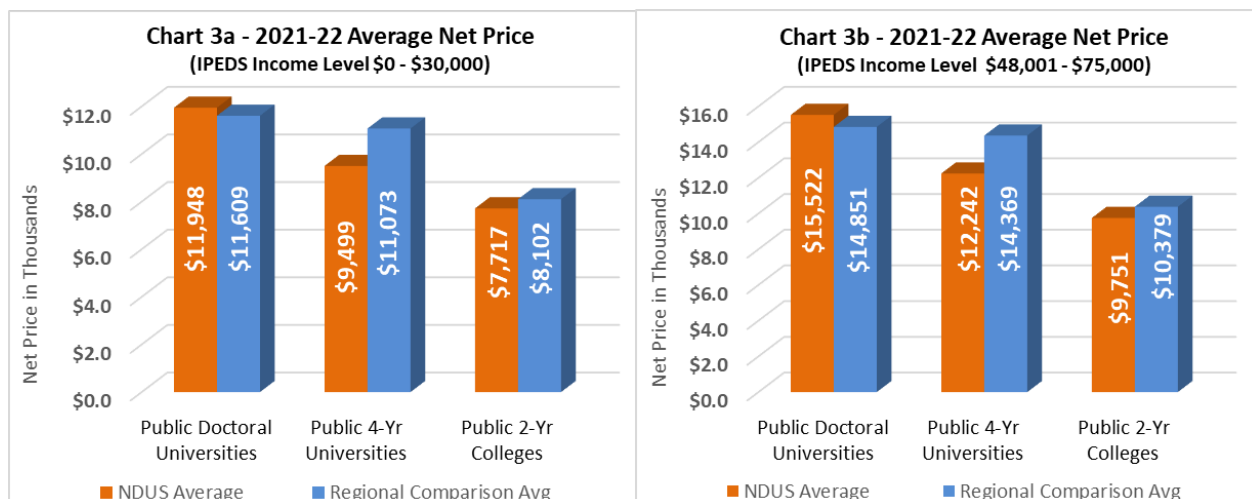


NDUS institutions have been able to reduce the estimated cost of books and supplies over the years. In 2015-16, the average NDUS financial aid cost of attendance (COA) component for books and supplies was \$1,084. In 2023-24, the average is \$991, which is down by 2% from the prior year. Open educational resources (OER), an initiative to promote the use of "open" textbooks at no charge to students, has had a positive impact on educational expenses. While the cost of physical textbooks has been increasing, NDUS students have realized a decrease in out-of-pocket costs as campuses continue to adopt low-cost/no-cost textbooks and instructional materials. The OER work in the NDUS started in 2015 and continues today among all NDUS institutions.

Net Price

Stated costs are only one factor that families look at in selecting an institution. The amount of financial aid that a student may be eligible for can help to paint a better picture of the estimated out-of-pocket expenses after all scholarships and grants are applied to full cost of attendance. This is net price. The full cost of attendance is the average tuition, fees, books, supplies, housing and food, transportation, and miscellaneous living expenses. Net price helps families estimate what they might owe, either through savings, work, or students loans, to attend their institution of choice, considering all of these expenses. The net price data in this report represents the average for a full-time, first-time, degree-seeking undergraduate student paying in-state tuition rates, and who was awarded grant or scholarship aid.

In 2021-22, both low-income earners and middle-income earners had either lower or comparable average net price to the regional comparisons at NDUS institutions. These results show improvement from the prior year for all institutional categories. The IPEDS dollar ranges used in this report are similar to the 2022 lowest income quintiles and median income level for ND. The goal in conducting this comparison is to consider a lower income family's ability to pay net price to a middle-income family's ability to pay the net price. Regional comparisons include public two-year and four-year institutions in Arizona, Colorado, Idaho, Minnesota, Montana, Nevada, New Mexico, Oregon, South Dakota, Utah, Washington, and Wyoming.



While net price is one tool for cost comparison, it is also important to look at family income levels when discussing net price. A family's ability to pay may be better reflected by the percentage of income required to cover net price. Lower income families earning around \$30,000 require a greater percentage of their income to cover estimated net price at NDUS institutions compared to families earning an income of \$75,000. By focusing on need-based aid sources to lower income families, this gap can be narrowed. A positive note is that the percent of income required to cover net price has fallen for all institution categories from the previous report.

% Of \$30,000 Income Required to Cover Net Price			% Of \$75,000 Income Required to Cover Net Price		
Institution Category	2021-22 Avg Net Price	% Of Income	Institution Category	2021-22 Avg Net Price	% Of Income
NDUS Doctoral Universities	\$11,948	40%	NDUS Doctoral Universities	\$15,522	21%
NDUS 4-Year Universities	\$9,499	32%	NDUS 4-Year Universities	\$12,242	16%
NDUS 2-Year Colleges	\$7,717	26%	NDUS 2-Year Colleges	\$9,751	13%

Financial Aid Overview

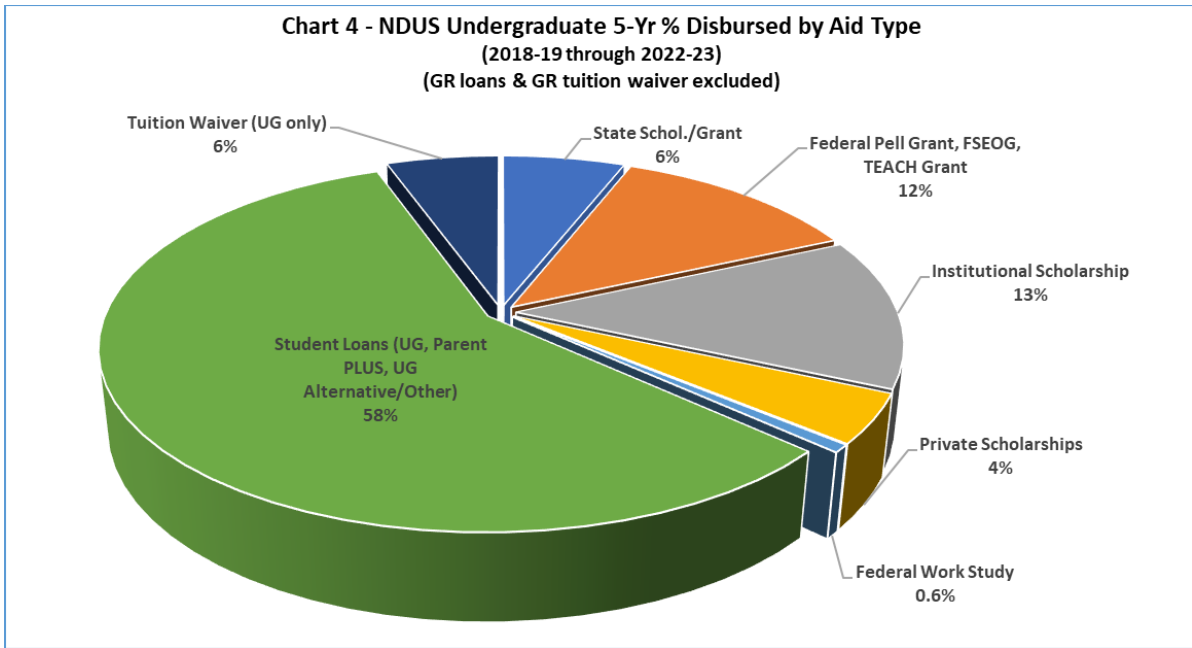
College affordability is dependent on the availability of financial aid, which impacts net price. Financial aid can include federal and state grants, federal work study, and federal and private student loans, institutional assistance, private scholarships, and military benefits, among others. The remainder of this report focuses on these sources of aid.

In 2022-23, 54% of all NDUS undergraduate students received some form of financial aid from one or more sources. This dropped from 61% in the prior year, and is below the national average for public institutions, the regional average. The FAFSA is often the key to determining eligibility for and accessing not only federal aid, but also state aid and other sources. NCAN estimated that the high school class of 2022 left \$3.6 billion in Pell Grants unclaimed by not completing the Free Application for Federal Student Aid (FAFSA), and that ND student's total of this amount was \$5.6 million, [Louisa Woodhouse, 1/11/2024, *In 2023, High School Seniors Left Over \$4 Billion on the Table in Pell Grants*, www.ncan.org/news/]. Twelve states have policies that require students to complete the FAFSA (or file a waiver) in order to graduate from high school. This concept is called universal FAFSA. Completing the FAFSA is one way for students to maximize their financial aid and it provides the opportunity to start discussions with students regarding post-high school plans at an earlier stage. The NDUS and North Dakota K-12 public institutions participate in the ND FAFSA Completion Project, which provides FAFSA completion information to high school counselors for seniors. Even with this added resource, only 46% of 2023 graduating seniors completed the FAFSA application. Nationally, ND has one of the lowest completions rates. The challenge with such initiatives is in reaching students early to ensure that they are better prepared for college and applying for as much financial aid as possible, and then providing them with support throughout the process.

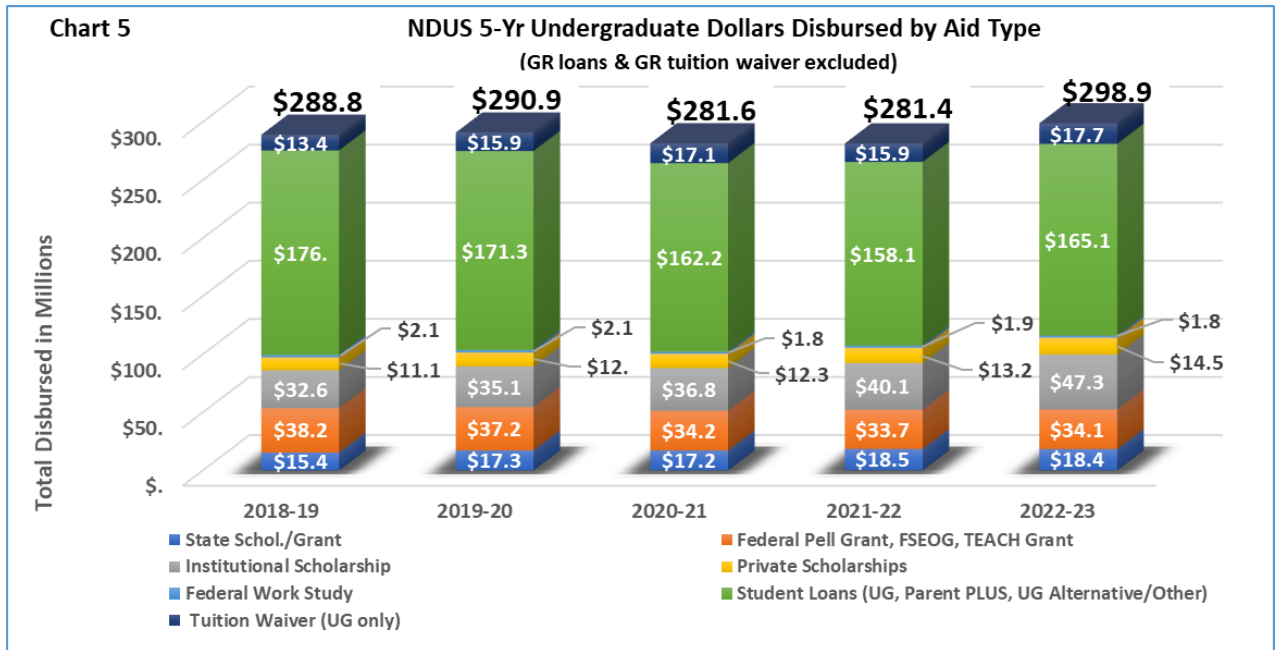
The majority of the NDUS institutions rank below the national average for percentage of undergraduate students receiving scholarships and grants, but above the national average for federal student loans. This may point toward the need for ongoing discussions promoting state, federal and private non-repayable grants, and scholarship resources for students. However, without a deeper review of this data, the cause cannot be fully determined. For example, NDUS 2-year institutions have a high focus on early entry/dual credit enrollment, which may be a factor in the lower percentage of scholarships and grants provided to students. Additionally, Pell Grant eligibility is based on federal formulas and is not reflective of institutional choices, but rather, student eligibility criteria.

During the 5-year period through 2022-23, approximately 56% of all aid received was in the form of self-help aid, which includes federal and private alternative student loans, Parent PLUS Loans, and Federal Work Study. The remainder came from various sources of federal, state, institutional and private grants, scholarships, and waivers. Federal grants (Pell Grant, Federal Supplemental Educational Opportunity Grant (FSEOG), and TEACH Grant) accounted for 12%, institutional scholarships and waivers 19%, state aid programs 6%, and private scholarships 4%. Total aid issued from these sources was \$298.8M.

Parent PLUS Loans are loans issued to parents to pay for college expenses for their dependent children. Parent PLUS Loans accounted for 5% of total student loans issued to undergraduate students from 2018-19 through 2022-23. The 2023-24 interest rate for Direct PLUS Loans for parents is 8.05%. Alternative student loans are issued directly to students, however, often require a qualifying co-signer. Alternative/other student loans accounted for 33% of all student loans disbursed to undergraduate students during this time. Alternative student loans have varied rates based on the lender. The remainder of the student loans, 62%, were issued through federal student loan programs.



In 2022-23 NDUS institutional scholarships and tuition waivers accounted for 22% of all aid disbursed, which is above the 5-year average of 19%. Self-help aid (student loans and work) accounted for 56%, which is below the 5-year average of 59%. Federal Pell Grant, FSEOG and TEACH Grants accounted for 11%, state scholarships and grants 6%, and private scholarships 5%, which were all similar to the 5-year average.



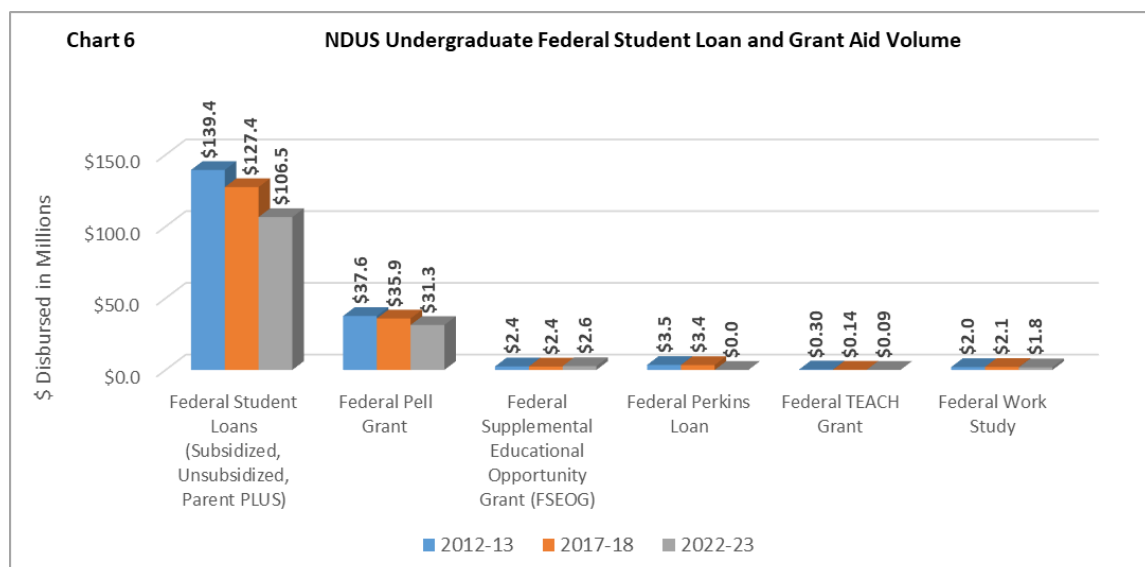
Federal Financial Aid

Federal financial aid plays an important role in affordability for students; however, it has been declining in the past 10 years. This section focuses on the following federal aid sources for undergraduate students. Graduate aid is excluded when possible.

- Federal Pell Grant
- Federal Supplemental Educational Opportunity Grant (FSEOG)
- Federal Work Study (FWS)
- TEACH Grant
- Perkins Loan (program expired 9/30/2017)
- Federal Students Loans (Subsidized, Unsubsidized, Parent PLUS)

The Pell Grant, FSEOG, FWS, and Federal Subsidized Loan are all based on financial need. Subsidized Loans do not accrue interest while a student is enrolled at least half-time, or during periods of deferment, while Unsubsidized Loan interest begins accruing on the date of disbursement. The 2023-24 subsidized and unsubsidized student loan interest rate is 5.50% for undergraduates. The federal TEACH Grant is different from other federal grants because it requires students to complete a specific teaching service obligation as a condition of receiving the grant. Students failing to meet the criteria have the grant converted to a loan, which must be repaid with interest accruing from the time of disbursement.

System-wide, all federal aid categories declined, or showed no significant increase, compared with 5 and 10 years earlier. Federal student loan volume decreased by 16% from 2017-18 to 2022-23 and had decreased by 17% in the previously reported 5-year period. In the 2022-23, NDUS institutions disbursed \$8.2 million less in Pell, FSEOG, Perkins, TEACH Grant and Federal Work Study than 5 years earlier, a 19% drop. The considerable drop in these sources is partially a result of the Perkins Loan program no longer being federally funded. The last year that Perkins Loans were issued was in 2017-18, leaving a gap for the neediest students. An additional factor is that headcount has declined over this period, leading to an organic drop in federal aid disbursed, however, an important note is that federal aid eligibility and award amounts are dependent upon federal policy, not necessarily on institutional award policy. Federal loan program funding has stagnated. The maximum annual student loan borrowing limits have not changed since 2008. Further, other grant program funding has lacked adequate increases, which results in students seeking other sources to fill the gap between costs and available federal aid, which you will see in as other aid sources are discussed.



**Table 2 - History of Undergraduate Federal Loan and Federal Grant Aid Volume
(Millions of Dollars)**

	2012-13	2017-18	2022-23	2012-13 vs 2022-23 (10-year)		2017-18 vs 2022-23 (5-year)	
Doctoral (NDSU, UND)							
Federal Student Loans (Subsidized, Unsubsidized, Parent PLUS)	\$92.8	\$85.4	\$73.8	-\$19.1	-20.5%	-\$11.6	-13.6%
Federal Pell Grant	\$19.9	\$19.5	\$16.6	-\$3.3	-16.6%	-\$2.9	-14.7%
Federal Supplemental Educational Opportunity Grant (FSEOG)	\$1.7	\$1.6	\$1.8	\$0.1	6.6%	\$0.2	15.2%
Federal Perkins Loan	\$2.4	\$2.8	\$0.0	-\$2.4	-100.0%	-\$2.8	-100.0%
Federal TEACH Grant	\$0.2	\$0.08	\$0.05	-\$0.1	-70.1%	-\$0.03	-34.7%
Federal Work Study	\$1.4	\$1.5	\$1.2	-\$0.2	-11.2%	-\$0.2	-16.0%
Four-Year (DSU, MaSU, MiSU, VCSU)							
Federal Student Loans (Subsidized, Unsubsidized, Parent PLUS)	\$21.6	\$20.3	\$16.9	-\$4.6	-21.5%	-\$3.4	-16.7%
Federal Pell Grant	\$7.2	\$6.8	\$7.0	-\$0.2	-2.8%	\$0.2	2.5%
Federal Supplemental Educational Opportunity Grant (FSEOG)	\$0.4	\$0.4	\$0.5	\$0.1	19.1%	\$0.0	3.5%
Federal Perkins Loan	\$0.8	\$0.5	\$0.0	-\$0.8	-100.0%	-\$0.5	-100.0%
Federal TEACH Grant	\$0.14	\$0.06	\$0.04	-\$0.1	-69.3%	-\$0.02	-30.4%
Federal Work Study	\$0.4	\$0.4	\$0.39	\$0.023	6.5%	-\$0.01	-3.0%
Two-year (BSC, LRSC, WSC, NDSCS, DCB)							
Federal Student Loans (Subsidized, Unsubsidized, Parent PLUS)	\$25.0	\$21.7	\$15.8	-\$9.2	-36.6%	-\$5.8	-26.9%
Federal Pell Grant	\$10.5	\$9.6	\$7.7	-\$2.7	-26.1%	-\$1.8	-19.2%
Federal Supplemental Educational Opportunity Grant (FSEOG)	\$0.3	\$0.4	\$0.4	\$0.0	7.0%	\$0.01	3.9%
Federal Perkins Loan	\$0.4	\$0.02	\$0.0	-\$0.4	-100.0%	\$0.0	-100.0%
Federal TEACH Grant	\$0.0	\$0.0	\$0.0	n/a	n/a	n/a	n/a
Federal Work Study	\$0.2	\$0.21	\$0.19	-\$0.1	-23.3%	\$0.0	-8.0%
NDUS Total							
Federal Student Loans (Subsidized, Unsubsidized, Parent PLUS)	\$139.4	\$127.4	\$106.5	-\$32.9	-23.6%	-\$20.9	-16.4%
Federal Pell Grant	\$37.6	\$35.9	\$31.3	-\$6.3	-16.6%	-\$4.5	-12.6%
Federal Supplemental Educational Opportunity Grant (FSEOG)	\$2.4	\$2.4	\$2.6	\$0.2	8.7%	\$0.3	11.3%
Federal Perkins Loan	\$3.5	\$3.4	\$0.0	-\$3.5	-100.0%	-\$3.4	-100.0%
Federal TEACH Grant	\$0.3	\$0.1	\$0.1	-\$0.2	-69.8%	-\$0.04	-32.8%
Federal Work Study	\$2.0	\$2.1	\$1.8	-\$0.2	-9.5%	-\$0.3	-12.7%

Graduate and Professional students excluded when possible; Excludes Graduate PLUS, private, institutional loans.
Federal Loans include: FFELP and Direct Subsidized, Unsubsidized and Parent PLUS.

There has been a shift in Pell Grant maximum award amounts from previous reports. The College Board noted in its *Trends in College Pricing 2023* that between 2013-14 and 2023-24, the maximum Pell Grant award remained constant after adjusting for inflation. As noted in the 2023 Affordability Report, after adjusting for inflation, the Pell Grant had declined by 3% between 2012-13 and 2022-23. However, this shift may be temporary as the 2024-25 Pell Grant maximum will remain unchanged from the 2023-25 amount of \$7,395. College Board also noted that the 2023-24 Pell increased by \$500, the largest 1-year gain since 2009-10, before adjusting for inflation. Over 10 years, the maximum Pell Grant award has increased on average \$167 per year, from \$5,730 in 2014-15 to \$7,395 in 2023-24. In 2023-24, the Pell Grant covered 66% of published tuition and fees at public four-year institutions nationwide and 31% when adding in food and housing. Again, this was a positive shift from prior years' reports. [The College Board (2023), *Trends in College Pricing and Student Aid 2023*, <https://research.collegeboard.org/media/pdf/Trends%20Report%202023%20Updated.pdf>]

Table 3 - Maximum Pell Grant as a Percentage of Published Prices (2003-04 to 2023-24, Selected Years)		
	Public Four-Year Institutions - National	
Academic Year	Maximum Pell Grant as a % of Tuition and Fees	Maximum Pell Grant as a % of Tuition, Fees, Housing & Food
2003-04	87%	38%
2008-09	72%	33%
2013-14	63%	31%
2018-19	60%	28%
2023-24	66%	31%

Source: College Board Trends in College Pricing 2023, Figure SA-8

Annual Student Loan Disbursements

Federal student loan borrowing among NDUS students has declined over time, which is in part a natural result of reduced headcount. However, the decline in the number of federal student loan borrowers has outpaced the decline in headcount at the NDUS institutions. So, while federal loan volume is declining, as is headcount, more students are also electing to not borrow federal loans. It is important to note that Perkins Loan borrowing, which went to the neediest students, fell from \$3.5 million in 2012-13 to \$0 beginning in 2018-19 due to that federal program being eliminated, which accounts for some of the reduced federal borrowing.

Table 4 - Federal Undergraduate Student Loans - Loan Disbursements					
Doctoral Universities (NDSU, UND)					
Year	Federal Loan Amount Borrowed (millions of dollars) ¹	Number of Borrowers ²	% of Borrowers/Total Headcount ³ Enrollment	Avg Annual Loan Per Borrower	Fall Degree-Credit Headcount ³
2012-13	\$95.2	15,721	65.7%	\$6,055	23,941
2017-18	\$88.3	14,522	63.2%	\$6,078	22,984
2022-23	\$73.8	10,575	52.8%	\$6,976	20,024
5-yr change	-16.4%	-27.2%	-10.4%	14.8%	-12.9%
10-yr change	-22.5%	-32.7%	-12.9%	15.2%	-16.4%
4-Year Universities Annual Loan Volume (DSU, MaSU, MiSU, VCSU)					
Year	Federal Loan Amount Borrowed (millions of dollars) ¹	Number of Borrowers ²	% of Borrowers/Total Headcount ³ Enrollment	Avg Annual Loan Per Borrower	Fall Degree-Credit Headcount ³
2012-13	\$22.4	4,000	54.5%	\$5,589	7,339
2017-18	\$20.9	3,490	50.9%	\$5,977	6,850
2022-23	\$16.9	2,699	41.3%	\$6,275	6,539
5-yr change	-18.8%	-22.7%	-9.7%	5.0%	-4.5%
10-yr change	-24.2%	-32.5%	-13.2%	12.3%	-10.9%
2-Year Colleges Annual Loan Volume (BSC, LRSC, DCB, NDSCS, WSC)					
Year	Federal Loan Amount Borrowed (millions of dollars) ¹	Number of Borrowers ²	% of Borrowers/Total Headcount ³ Enrollment	Avg Annual Loan Per Borrower	Fall Degree-Credit Headcount ³
2012-13	\$25.3	4,901	45.7%	\$5,172	10,731
2017-18	\$21.7	3,977	37.1%	\$5,452	10,720
2022-23	\$15.8	2,837	27.3%	\$5,580	10,396
5-yr change	-27.0%	-28.7%	-9.8%	2.3%	-3.0%
10-yr change	-37.6%	-42.1%	-18.4%	7.9%	-3.1%

¹ Undergraduate Federal Loans: Subsidized, Unsubsidized, Perkins and Parent PLUS Loans included; Graduate PLUS, Private/Other loans excluded.

² Borrowers may be duplicated if receiving more than one loan type.

³ Undergraduate fall degree-credit headcount excludes graduate students.

In contrast to federal loan borrowing declining, private educational student loan borrowing and Parent PLUS borrowing has been increasing. The percentage of borrowers to total headcount for alternative loan decreased over the 5-year period from 2017-18 to 2022-23, however, the borrowing levels have increased. As previously noted, the exit of the Perkins loan has created a gap for students, who may be filling it with alternative loan borrowing. Additionally, for those students who need access to student loans, the annual federal loan maximum has not increased since 2008, as was previously noted.

Federal Parent PLUS Loan volume has also risen but comprises a smaller part of loan volume than alternative loans. This may suggest that families are selecting alternative student loan sources over the Parent PLUS Loan. Alternative student loans can be more flexible and may hold more favorable loan terms than the Federal Parent PLUS Loan Program. Origination fees on Parent PLUS Loans can exceed 4%.

Federal student loan borrowing is often viewed and encouraged to be the first source of loan borrowing for students. The percentage of NDUS students seeking federal loans reflects this. In 2022-23, 62% of loan borrowing was from the federal programs, 33% from alternative loans and 5% from Parent PLUS. In addition, the percentage of federal loan borrowers to total headcount far-exceeds the percentage of

alternative loan borrowers to total headcount. Yet, alternative and Federal Parent PLUS loans continue to be an important source of funding to fill the gap for some students.

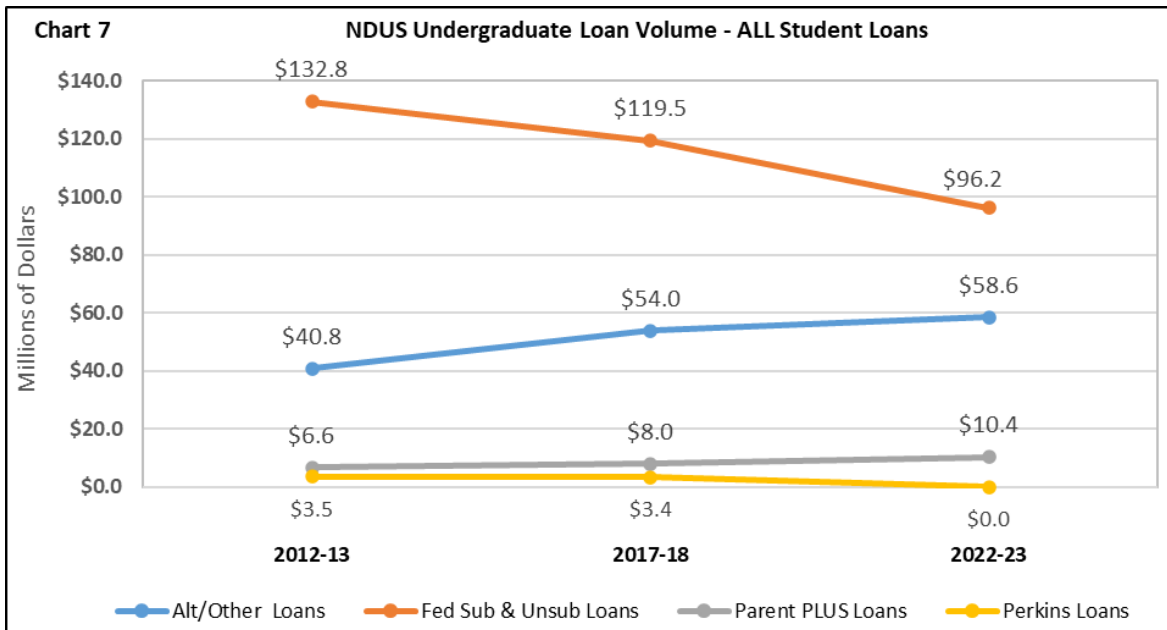


Table 5 - Alternative/Other Undergraduate Student Loans - Loan Disbursements					
Doctoral Universities (NDSU, UND)					
Year	Alt Loan Amount Borrowed (millions of dollars) ¹	Number of Borrowers ²	% of Borrowers/Total Headcount ³ Enrollment	Avg Annual Loan Per Borrower	Fall Degree-Credit Headcount ³
2012-13	\$35.5	4,094	17.1%	\$8,678	23,941
2017-18	\$45.7	4,697	20.4%	\$9,737	22,984
2022-23	\$50.2	3,969	19.8%	\$12,636	20,024
5-yr change	9.7%	-15.5%	-0.6%	29.8%	-12.9%
10-yr change	41.2%	-3.1%	2.7%	45.6%	-16.4%
4-Year Universities Annual Loan Volume (DSU, MaSU, MiSU, VCSU)					
Year	Alt Loan Amount Borrowed (millions of dollars) ¹	Number of Borrowers ²	% of Borrowers/Total Headcount ³ Enrollment	Avg Annual Loan Per Borrower	Fall Degree-Credit Headcount ³
2012-13	\$2.3	421	5.7%	\$5,534	7,339
2017-18	\$3.4	566	8.3%	\$5,989	6,850
2022-23	\$3.4	462	7.1%	\$7,401	6,539
5-yr change	0.9%	-18.4%	-1.2%	23.6%	-4.5%
10-yr change	46.8%	9.7%	1.3%	33.7%	-10.9%
2-Year Colleges Annual Loan Volume (BSC, LRSC, DCB, NDSCS, WSC)					
Year	Alt Loan Amount Borrowed (millions of dollars) ¹	Number of Borrowers ²	% of Borrowers/Total Headcount ³ Enrollment	Avg Annual Loan Per Borrower	Fall Degree-Credit Headcount ³
2012-13	\$3.0	545	5.1%	\$5,437	10,731
2017-18	\$4.8	697	6.5%	\$6,938	10,720
2022-23	\$5.0	594	5.7%	\$8,429	10,396
5-yr change	3.5%	-14.8%	-0.8%	21.5%	-3.0%
10-yr change	69.0%	9.0%	0.6%	55.0%	-3.1%

¹ Undergraduate alternative private student loans/other student loans only; excludes federal loans.

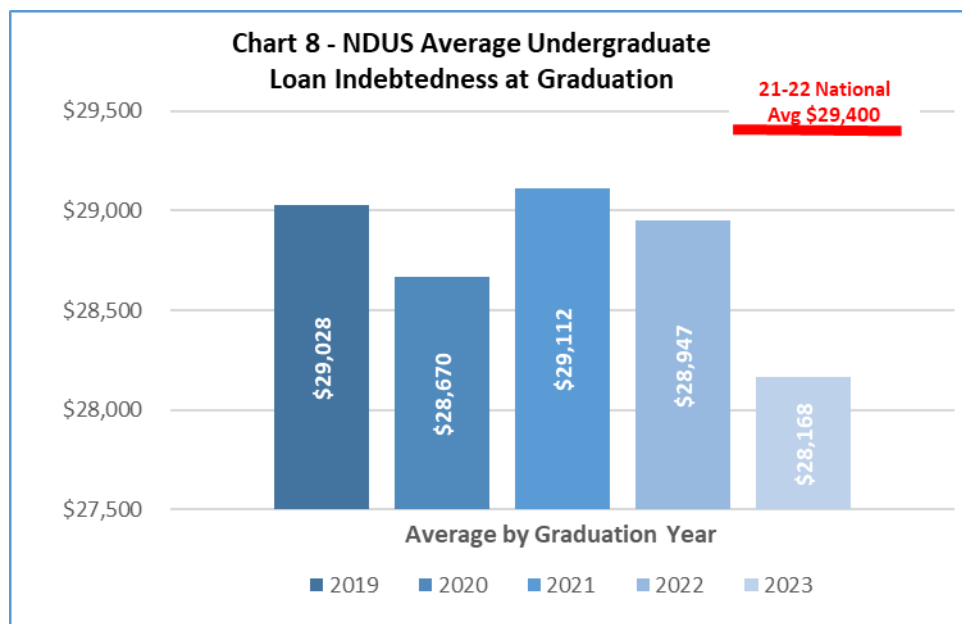
² Borrowers may be duplicated.

³ Undergraduate fall degree-credit headcount excludes graduate students.

Indebtedness at Graduation

Student loans, when borrowed conservatively and for real educational expenses, can assist students in their degree attainment goals. For some, borrowing helps to reduce the stress of working long hours while attending classes and doing homework, but it can also impact life decisions once graduates transition into the workforce. For this reason, loan indebtedness at graduation is a topic to consider when discussing affordability.

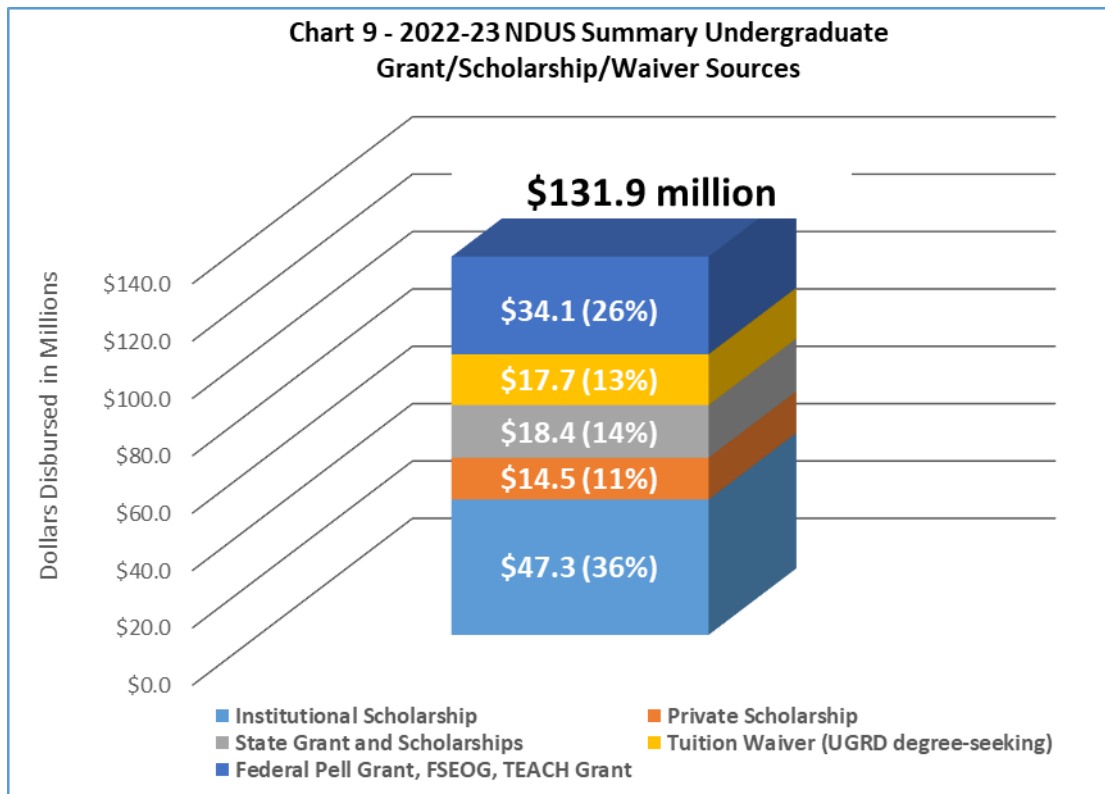
Tracking and collection of graduate loan indebtedness is not mandated by federal regulation. To formulate a complete and consistent picture of indebtedness among NDUS graduates, NDUS data is obtained from system reports based on specific graduating cohorts of borrowing students and, the data includes all loan types (federal, alternative, and institutional loans). Parent PLUS loans are excluded as this debt is the responsibility of the parent who borrows a federal loan for their dependent student. The College Board noted in its *Trends in College Pricing and Student Aid 2023* that 51% of bachelor's degree recipients in the U.S. graduated with student debt at an average of \$29,400. Chart 7 provides the average loan debt for non-transfer, first-time undergraduate students who started at an NDUS institution and who completed their program during the specified year. The NDUS average indebtedness is below the national average and has remained relatively constant in the past 5 years, between \$28,168 and \$29,112. The 2023 graduating cohort averaged \$28,168. The average indebtedness is only reflective of the graduates who borrowed and graduated within the specified year. The average loan indebtedness within the NDUS for all graduates, both those with and without student debt, was \$14,768 in 2023.



2022-23 Undergraduate Grants, Scholarships and Waivers

Federal financial aid is only one source of funding for students. Further contributing to affordability are state-funded grants and scholarships, tuition waivers, institutional scholarships, privately funded scholarships, among others.

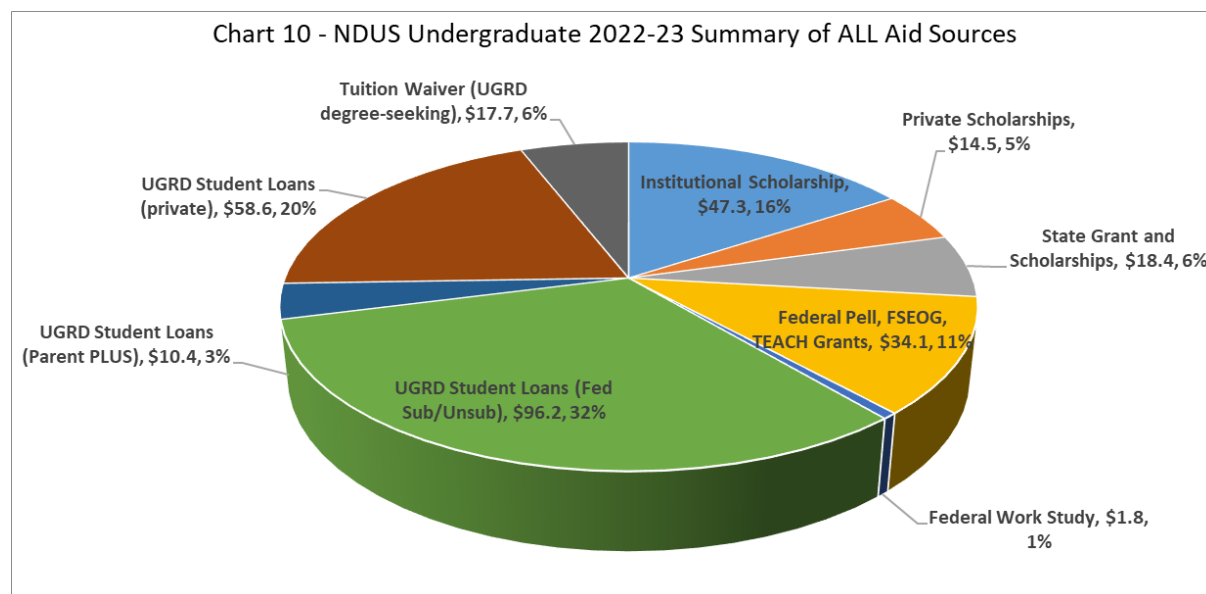
In 2022-23 federal grants (Pell, FSEOG & Teach) totaled \$34.1 million, an increase of around \$400,000 from the prior year. Non-federal grants and scholarships, which include state funded programs, institutional scholarships, and privately funded scholarships, accounted for \$80.2 million. This is an \$8.4 million (18%) increase over the prior year, and since 2020-21, aid from these sources increased a total of \$13.8 million. Most of the increase came from institutional scholarships. Institutional scholarships are often funded through endowments and gifts to institutions for the benefit of students meeting specific requirements. Private scholarships increased by \$1.3 million (10%) and state aid was relatively unchanged. The 2023 Legislative Assembly invested an additional \$9.7 million in state-funded scholarships and grants in the 2023-25 biennium. NDUS undergraduate tuition waivers further contributed to affordability at \$17.7 million, which was an 11% increase from the prior year for undergraduate students. Total grant, scholarship, and waiver sources in 2022-23 were \$131.9 million, an overall increase of \$10.5 million from the prior year, or an increase of 9%.



2022-23 Undergraduate Total Financial Aid Disbursements and % of Cost Covered

Total disbursements of all undergraduate student financial aid in 2022-23, including loans, was \$298.8 million, which is a 6% increase from the prior year. Non-repayable scholarships, grants and waivers totaled \$132 million, while student loans and Federal Work Study totaled \$167 million.

In 2022-23, scholarships, grants and tuition waivers covered 50% of gross tuition, which is up from the prior year by 4%. When adding in housing, food, and mandatory fees, the coverage of gross charges was 35%, which is up by 3% from the prior year. Self-help aid in the form of student loans and the Federal Work Study contributed to affordability by assisting students in meeting the gap. Seventy-eight percent of gross tuition, fees, housing and food was covered by financial aid, both non-repayable sources and self-help aid.

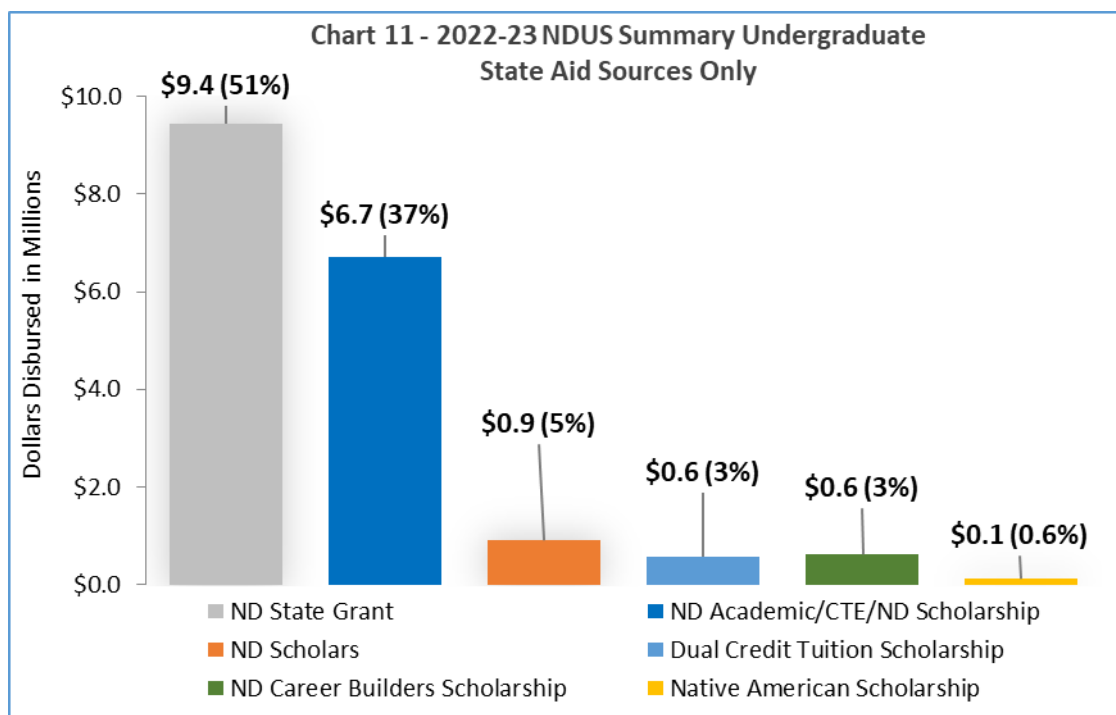


State Financial Aid Programs and Appropriation

The various state-funded scholarships and grants for ND resident students have unique purposes and provide additional access to an affordable education. In 2022-23, \$18.4 million in state-funded scholarships and grants was issued to over 11,000 resident students at NDUS institutions. The count may be duplicated.

- The ND State Grant is need-based and assists the neediest resident students. Students must complete the FAFSA application annually to be considered. The state grant is the largest state-funded program with a 5-year average of nearly 6,200 students awarded per year throughout ND.
- The ND Academic, CTE, and ND Scholarships are based on performance in high school and are awarded by the Dept. of Public Instruction based on achievement following high school graduation. On average, 5,300 students receive disbursements each year and 23% of ND high school seniors qualify for this merit-based award.
- The ND Scholars program is the premier merit-based award in the state. Scholars are awarded based on their national testing scores on the ACT or SAT. Approximately 30 new students, plus returning upper classmen, are funded each year.

- The Native American Scholarship is based on Federal Tribal affiliation. Recipients can qualify for either a merit-based scholarship or a need-based scholarship. The 5-year average number of awardees is 290 per year.
- As an incentive, the Dual Credit Tuition Scholarship provides a post-secondary scholarship of up to \$750 for students who completed dual credit coursework in high school. Dual credit classes provide a cost-effective way to take college classes while advancing degree completion while in high school. The award was first made available in the 2021-22 academic year to 1,622 students, and again in 2022-23 to 1,188 students.
- The ND Career Builders Scholarship is a workforce development program that encourages students to enroll in programs that lead to in-demand occupation in the state. Students agree to live and work within North Dakota for a minimum of three years following program completion as a condition of the award. It is repayable if the terms are not met by the student. Scholarships funds from the private sector, or other qualifying public funds, are matched with state funds to double the award, up to a maximum of \$17,000 per recipient. Since inception in 2019-20 through 2022-23, 279 students have benefited from this program.



North Dakota’s investment in financial aid programs has grown significantly since 2007. The 2009 Legislative Assembly established the ND Academic & CTE Scholarships at \$3 million and added nearly \$14 million to the need-based State Grant and ND Scholars program. Since that time, the state has continued to expand financial aid programs to support ND resident students in accessing an affordable education in the state. The 2023 Legislative Assembly increased the annual award amount for the ND State Grant and appropriated an additional \$6 million to the program, in addition to adding nearly \$4 million in funding to the other state aid programs. The state scholarships and grants were reduced as part of the 2015-17 allotment process, and the ND State Grant carry-over was further reduced by \$5 million by the 2017 Legislative Assembly. Additionally, \$2.5 million was transferred from the ND State Grant to the ND Academic and CTE Scholarship program in the 2019-21 biennium to cover the shortfall of commitments in that program due to growth.

Table 6	Biennial Appropriations (in millions)								
	2007-09	2009-11	2011-13	2013-15	¹ 2015-17	2017-19	² 2019-21	² 2021-23	² 2023-25
ND State Grant (Need-Based)	\$5.82	\$19.03	\$19.03	\$21.25	\$23.89	\$21.92	\$23.92	\$23.92	\$29.92
ND Academic/CTE/ND Scholarship (Merit-Based)	-	\$3.00	\$10.00	\$10.00	\$13.13	\$12.02	\$12.02	\$16.22	\$17.22
ND Scholars Program (Merit-Based)	\$1.48	\$2.11	\$2.11	\$2.11	\$2.11	\$1.81	\$1.81	\$1.81	\$1.81
Native American Scholarship (Tribal Affiliation)	\$0.38	\$0.38	\$0.57	\$0.65	\$0.65	\$0.56	\$0.56	\$0.56	\$1.00
ND Career Builders Scholarship (Workforce Development)	-	-	-	-	-	-	\$6.00	\$4.50	\$6.80
Dual Credit Tuition Scholarship (Incentive-Based)	-	-	-	-	-	-	-	\$1.50	\$1.50
TOTAL	\$7.68	\$24.52	\$31.71	\$34.01	\$39.78	\$36.30	\$44.30	\$48.50	\$58.24
% CHANGE	-	219%	29%	7%	17%	-9%	22%	9%	20%

¹Post-allotment amounts

²ND Career Builders and Dual Credit Tuition Scholarship funded through BND profits

Other Sources

This report focuses on the most common sources of financial aid. Federal, state, institutional and private sources of financial aid make up most of the funding for students, however, there may be other resources not yet mentioned. A source of funding not previously mentioned, Post 9/11 GI Bill and the Dept. of Defense Tuition Assistance (DOD TA), are significant sources of financial aid for NDUS students. In 2021-22, IPEDS reported that these benefits were provided to 1,488 undergraduate NDUS students in an amount of \$7.5 million. Over a 5-year period through 2021-22, the average annual benefit provided was \$7.2 million to 1,581 students. IPEDS data lags by one year and thus, the 2022-23 data was not yet available at the time of this report and for this reason, was not incorporated into the other charts in this document.

Institution	Table 7 - IPEDS Reported Undergraduate 9/11 GI Bill Benefits & DOD Tuition Assistance									
	2021-22 9/11 GI Bill & DOD TA		2020-21 9/11 GI Bill & DOD TA		2019-20 9/11 GI Bill & DOD TA		2018-19 9/11 GI Bill & DOD TA		2017-18 9/11 GI Bill & DOD TA	
	#	\$	#	\$	#	\$	#	\$	#	\$
BSC	134	\$ 428,428.00	143	\$ 402,499.00	186	\$ 506,504.00	193	\$ 526,241.00	224	\$ 733,174.00
DCB	37	\$ 70,608.00	33	\$ 65,512.00	43	\$ 75,095.00	52	\$ 77,755.00	50	\$ 70,353.00
DSU	31	\$ 157,539.00	32	\$ 167,892.00	22	\$ 129,371.00	35	\$ 146,234.00	34	\$ 144,660.00
LRSC	109	\$ 197,439.00	95	\$ 164,153.00	111	\$ 165,717.00	176	\$ 297,743.00	253	\$ 383,240.00
MaSU	17	\$ 67,794.00	15	\$ 57,668.00	25	\$ 70,796.00	34	\$ 149,406.00	24	\$ 59,598.00
MiSU	268	\$ 869,773.00	263	\$ 818,276.00	429	\$ 1,224,748.00	526	\$ 1,427,500.00	568	\$ 1,529,144.00
NDSCS	47	\$ 177,675.00	36	\$ 145,584.00	37	\$ 149,000.00	45	\$ 169,661.00	66	\$ 184,450.00
NDSU	255	\$ 1,489,112.00	206	\$ 1,288,286.00	190	\$ 1,272,945.00	201	\$ 1,304,361.00	226	\$ 1,332,554.00
UND	556	\$ 3,936,020.00	479	\$ 3,601,906.00	427	\$ 3,064,045.00	413	\$ 2,732,450.00	397	\$ 3,097,892.00
VCSU	24	\$ 83,396.00	20	\$ 94,172.00	23	\$ 73,034.00	26	\$ 93,308.00	24	\$ 99,226.00
WSC	10	\$ 42,987.00	8	\$ 38,426.00	10	\$ 37,664.00	12	\$ 43,302.00	7	\$ 13,756.00
TOTAL	1,488	\$ 7,520,771.00	1,330	\$ 6,844,374.00	1,503	\$ 6,768,919.00	1,713	\$ 6,967,961.00	1,873	\$ 7,648,047.00
5-Year Average	1,581	\$ 7,150,014.40								