

The Affordability Project

Enrollment, Financial Aid, Cost of Attendance, and Wages: Completers vs Non-Completers from University of Texas System Institutions

Introduction

Getting a bachelor's degree is expensive, requiring an up-front investment against higher future earnings. There is plenty of evidence that shows that this investment is sound and yields strong post-graduation returns, especially for graduates from reasonably priced, low-student-debt institutions like the University of Texas (UT) System academic institutions. However, for students who make an investment but do not complete a degree, the returns may not outweigh the costs. This brief examines multiple cohorts of first-time college students attending UT academic institutions, examining their enrollment and completion patterns, financial aid, estimated cost of attendance, and post-exit wages to provide a holistic assessment of affordability that moves beyond access (cost and debt) to also consider the outcomes, or returns, and how that value shifts for those who do not complete their degree.

Key Findings

This study yields several key findings:

- Of the study population of undergraduates who started at a UT System academic institution as in-state, first-time, degree-seeking college students in Fall 2011-2018:
 - Two-thirds graduate with a baccalaureate degree from any UT System institution by Spring 2022
 - Approximately 6% complete a baccalaureate degree at another U.S. institution by Spring 2022
 - About 27% do not complete a baccalaureate at any institution by Spring 2022
- There are notable differences in the characteristics of students across groups:
 - Non-Completers are 20 percentage points more likely to be Pell recipients than either UT Completers or Other Completers.
 - UT Completers are more likely than Other Completers and Non-Completers to have SAT scores of 1300 or greater.
- Approximately 81% of the full study population receive some financial aid during their first year at a UT System academic institution.
 - About 73% of all UT Completers receive free aid during their first year. On average, UT Completers who receive free aid receive between \$2,000 to \$5,000 more in free aid per year (during years 1 through 4) than Other Completers and Non-Completers who receive free aid.
- On average, UT Completers accrue \$126,500 and Other Completers accrue \$42,600 in total cumulative costs at UT System academic institutions. Non-Completers exit UT System academic institutions after accruing \$52,100 in total cumulative costs, on average.
- Free financial aid reduces the net cost of attending college:

- The average total cost for UT Completers falls from \$126,500 to \$92,200 when free aid is deducted. Average total costs drops from \$42,600 to \$32,000 for Other Completers and from \$52,100 to \$37,600 for Non-Completers when free aid is deducted.
- There are differences in employment measures for the three groups after completing a baccalaureate degree or exiting a UT System institution:
 - Non-Completers are less likely to be found employed in Texas after exiting college, though that gap declines over time. In the eighth year after exiting college, almost 70% of all three subgroups are found employed in Texas.
 - UT Completers found working in Texas earn the highest median wages of all three groups, with Other Completers close behind across time.
 - The median wages for UT Completers employed in Texas are approximately \$25,000 to \$40,000 more per year than those of Non-Completers.
 - The higher median wages associated with earning a baccalaureate degree represent a positive return on the investment of completing a degree. On the other hand, Non-Completers accrue significant costs and earn lower wages than graduates after exiting college.

Methodology & Sources

Enrollment & SCH

This study uses data from the Texas Higher Education Coordinating Board (THECB) Enrollment and Graduation Reports. It focuses on undergraduate students who started in the fall semester at a UT System academic institution as an in-state, first-time college student in Fall 2011-2018. A student was considered a UT System Completer if they completed a baccalaureate degree at any UT System institution, including Health Related Institutions. Residency is determined by the residency code from the THECB CBM001 report. The study population is restricted to students who are found to have completed a degree or dropped out of higher education by Spring 2022.

Financial Aid

Data on the financial aid receipt of students in the study population come from the Texas Financial Aid Database (FAD). This study categorizes aid as free aid—which includes grants, scholarships, and tuition aid—and non-free aid, which includes loans and work study aid. Because this brief focuses on undergraduate students, PLUS loans are not included in any of the financial aid analyses. The aid (including loans) shown throughout the brief represents aid received while enrolled at UT System institutions only; Other Completers may receive additional financial aid or loans from other institutions attended.

Cost of Attendance

Cost of attendance is estimated for each semester using published data from the Integrated Postsecondary Education Data System (IPEDS) that are then pro-rated based on the number of semester credit hours attempted. Academic institutions report costs to IPEDS for a 9-month academic year. Dollar amounts have been inflation-adjusted to 2023 dollars. The costs in this brief represent costs at UT System academic institutions only; Other Completers may accrue additional costs from other institutions attended. The total cost of attendance for an academic year is calculated by adding (1) published in-state tuition & fees, (2) textbook costs & supplies, (3) on-campus room & board, and (4) other expenses for each institution-year.

Texas Labor Market Measures

We use data from the Texas Workforce Commission to describe employment in Texas and wages from employment in Texas. Data from the TWC do not include people who are self-employed or work for the federal government. We define both measures in terms of years since exiting a postsecondary institution. For UT System completers, we define employment in Texas and wages from employment in Texas in terms of years since exiting the UT System institution where they earned a baccalaureate degree. For students who completed their first baccalaureate degree at another institution, employment measures in year 1 represent employment in the first full calendar year immediately following the academic year in which the student graduated with that baccalaureate degree. For non-completers, employment measures in year 1 represent employment in the first full calendar year immediately following the academic year in which the student exited the UT System. Both employment measures describe the share of students who were not enrolled in higher education in a given year according to the National Student Clearinghouse Student Tracker.

Who Is Included

Completion Status

This brief explores trends in enrollment, financial aid, cost of attendance, and post-graduation earnings for nearly 200,000 undergraduate students who started in the fall at a UT System academic institution as an in-state, first-time, degree-seeking college student in Fall 2011-2018. These students are then divided into three groups.

1. **UT Completers:** Students who completed a baccalaureate at any UT System institution by the conclusion of Spring 2022 (approximately two-thirds of the study)
2. **Other Completers:** Students who did not complete at a UT System institution and who were found—using the National Student Clearinghouse—to have earned a baccalaureate from another U.S. institution by the conclusion of Spring 2022 (just over 6% of the study population)
3. **Non-Completers:** Students who were not enrolled in the past two years (as of 2024) and did not earn a baccalaureate degree at any institution in the U.S. (almost 27% of the study population)

Student Characteristics

- Income related data is not available for all individuals; it is missing for around 21% of the full population. For the students with data available:
 - The average AGI of the overall population was \$66,055. The average AGI for UT Completers was the highest of the three sub-groups and \$30,000 higher than the average AGI for Non-Completers.
- Nearly 44% of the overall population received Pell grants in their first year. Non-Completers are 20 percentage points more likely to be Pell recipients than either UT Completers or Other Completers.
- The average time spent at a UT institution is 3.7 years. It is lowest for those who go on to complete elsewhere (1.8 years). Non-Completers, on average, spend 2.4 years at a UT campus. On average, UT Completers are spending 4.4 years on a UT campus before graduating.
- Approximately 40% of the population had an SAT score of 1200 or higher; 49% of UT Completers had scores 1200+, while this was true for only 30% of Other Completers and only 21% of Non-Completers.

Table 1: Student Characteristics*First-Time, Degree-Seeking Undergraduates Who Entered a UT System Academic Institution in Fall 2011-2018*

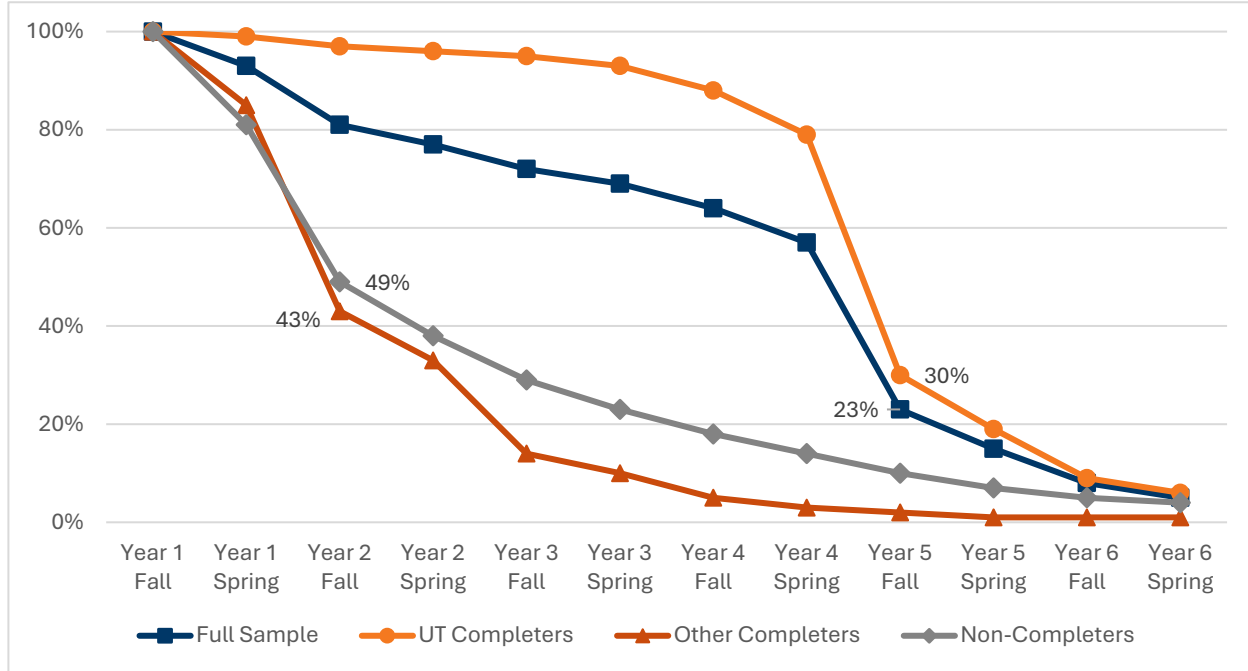
		Full Population	UT Completers	Other Completers	Non- Completers
TOTAL	#	198,670	133,413	12,343	52,914
	%	100%	67.2%	6.2%	26.6%
AGI in first year	*not available for all students	N = 156,095	N = 102,650	N = 9,222	N = 44,223
	Average	\$66,055	\$75,819	\$63,218	\$43,983
	% \$40,000 or below	47.9%	42.0%	48.4%	61.5%
	% \$100,000 or above	22.4%	27.1%	22.6%	11.6%
Pell recipient in first year		43.7%	38.2%	39.3%	58.7%
Years at institution		3.7	4.4	1.8	2.4
SAT score					
	Less than 1200	53.4%	44.7%	66.1%	72.5%
	1200 - 1299	15.0%	16.6%	15.8%	10.9%
	1300 - 1399	12.2%	14.8%	9.2%	6.2%
	1400 +	12.9%	17.3%	5.3%	3.5%
	Missing	6.5%	6.6%	3.6%	6.9%

Patterns of Enrollment & Credit Attainment

Semester-by-Semester Enrollment Trends by Completion Status

When examining the semester-by-semester enrollment of our sub-groups, we see some interesting patterns.

- UT Completers see relatively stable enrollment through the spring semester of their third year, followed by two semesters of declining enrollment as more people begin to graduate. Then, at the end of four years, there is a drastic drop from 80% to 30% as a majority graduate.
- The majority of Other Completers tend to exit their UT institutions soon after their first year, with 57% leaving by the start of their third semester (fall semester of second year). Only 14% of Other Completers remain at their UT institution in the fall semester of their third year.
- The majority of Non-Completers (51%) are not enrolled by the fall semester of their second year, and they continue to drop out over the following semesters, though not as quickly as Other Completers. In the fall semester of their third year, 29% are still enrolled, and in the fall semester of their fourth year 18% remain.

Chart 1: Enrollment Flow at UT System Academic Institutions by Semester and Completion Status*First-Time, Degree-Seeking Undergraduates Who Entered a UT System Academic Institution in Fall 2011-2018*

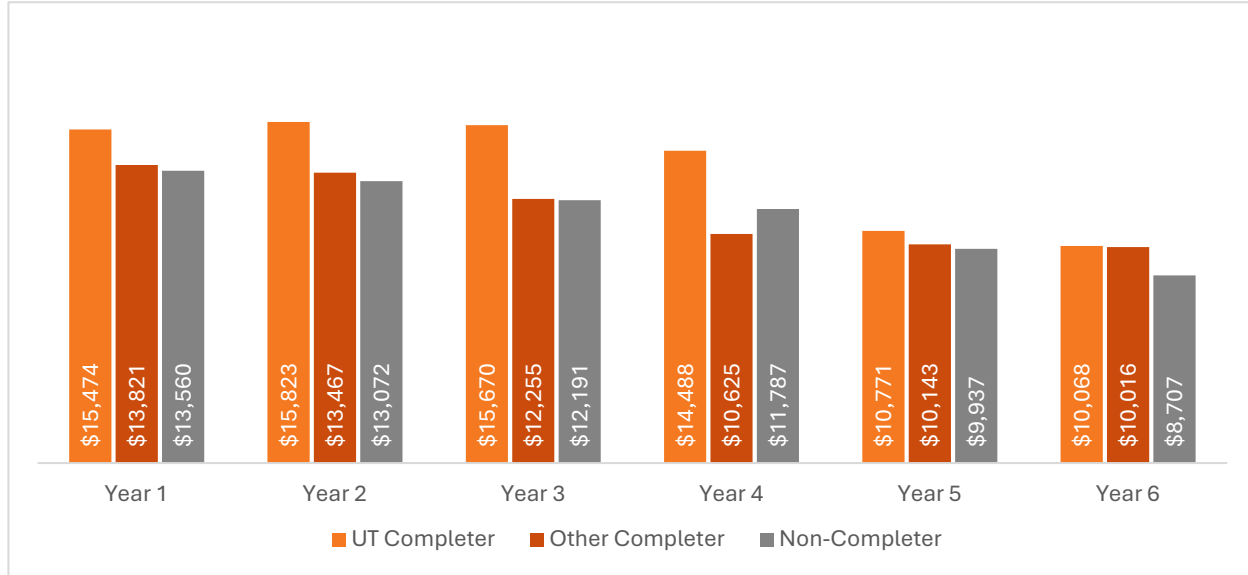
Financial Aid

To balance costs, there is financial aid. From free aid—including need-based and other—to loans, most students receive some kind of aid. Approximately 81% of the full study population received some kind of financial aid in their first year of enrollment. By sub-group, that is 79% of all UT Completers, 78% of all Other Completers, and 85% of all Non-Completers receiving some type of aid. For those who received any aid, UT Completers received more aid each year, on average, than Other Completers and Non-Completers.

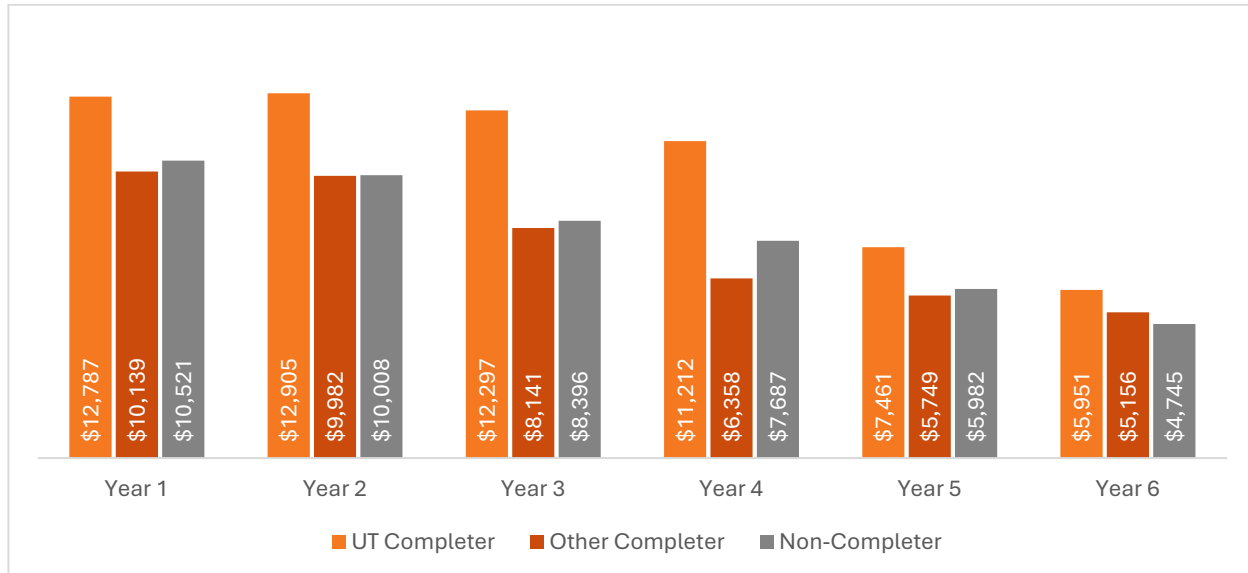
Free aid is financial aid that, unlike loans, does not need to be repaid and, unlike work study, does not require work. It is made up of grant and scholarship aid and tuition aid (e.g., waivers). On average, UT Completers who received free aid received between \$2,000 to \$5,000 more in free aid per year (during years 1 through 4) than Other Completers and Non-Completers who also received free aid.

Table 2: Proportion of Students Receiving Any Amount of Financial Aid in First Year, By Financial Aid Type*First-Time, Degree-Seeking Undergraduates Who Entered a UT System Academic Institution in Fall 2011-2018*

	UT Completers	Other Completers	Non-Completers
	% of Full Population	% of Full Population	% of Full Population
All Aid	79%	78%	85%
Loan Aid (Federal + Other)	36%	48%	46%
Free Aid	73%	69%	77%
Need-Based GS Aid	46%	47%	65%
Other GS Aid	51%	39%	29%
Tuition Aid	7%	6%	5%
Work Study Aid	3%	2%	2%

Chart 2: Average Total Aid (excluding PLUS) per Year for Students Receiving Any Aid (in 2023 dollars)*First-Time, Degree-Seeking Undergraduates Who Entered a UT System Academic Institution in Fall 2011-2018 and Received Any Aid**Chart 2 Related Table: Student Counts, Students Receiving Any Non-PLUS Aid*

	Year 1	Year2	Year 3	Year 4	Year 5	Year 6
UT Completers	105,912	97,144	97,080	88,478	29,921	8,191
Other Completers	9,680	3,913	1,317	452	139	66
Non-Completers	44,964	19,968	11,560	6,914	3,520	1,551

Chart 3: Average Free Aid per Year for Students Receiving Any Free Aid by Completion Status (in 2023 dollars)*First-Time, Degree-Seeking Undergraduates Who Entered a UT System Academic Institution in Fall 2011-2018 and Received Any Free Aid**Chart 3 Related Table: Student Counts, Students Receiving Any Free Aid*

	Year 1	Year2	Year 3	Year 4	Year 5	Year 6
UT Completers	97,697	86,373	86,646	78,781	25,417	7,288
Other Completers	8,461	3,275	1,078	363	114	55
Non-Completers	40,959	17,750	10,121	5,988	2,948	1,358

Cost of Attendance

Cost of attendance is estimated for each semester using published data that are then pro-rated based on the number of semester credit hours attempted. Dollar amounts have been inflation-adjusted to 2023 dollars. The total cost of attendance for an academic year is calculated by adding (1) published in-state tuition & fees, (2) textbook costs & supplies, (3) on-campus room & board, and (4) other expenses for each institution-year.

Because cost of attendance is based on credits attempted for each semester enrolled at a UT academic institution, the average total cost of attendance is highest for UT Completers. This is because UT Completers were enrolled for an average of 4.4 years and 86% exited with 90 hours or more. Within the same earned SCH band, however, non-completers have the highest costs because they are attempting more hours per earned hour.

Chart 4: Average Cumulative Total Cost of Attendance by Total Semester Credit Hours Attempted and Completion Status *(in 2023 dollars)*

(Total Cost of Attendance includes tuition & fees, books & supplies, on-campus room & board, and other expenses)

First-Time, Degree-Seeking Undergraduates Who Entered a UT System Academic Institution in Fall 2011-2018

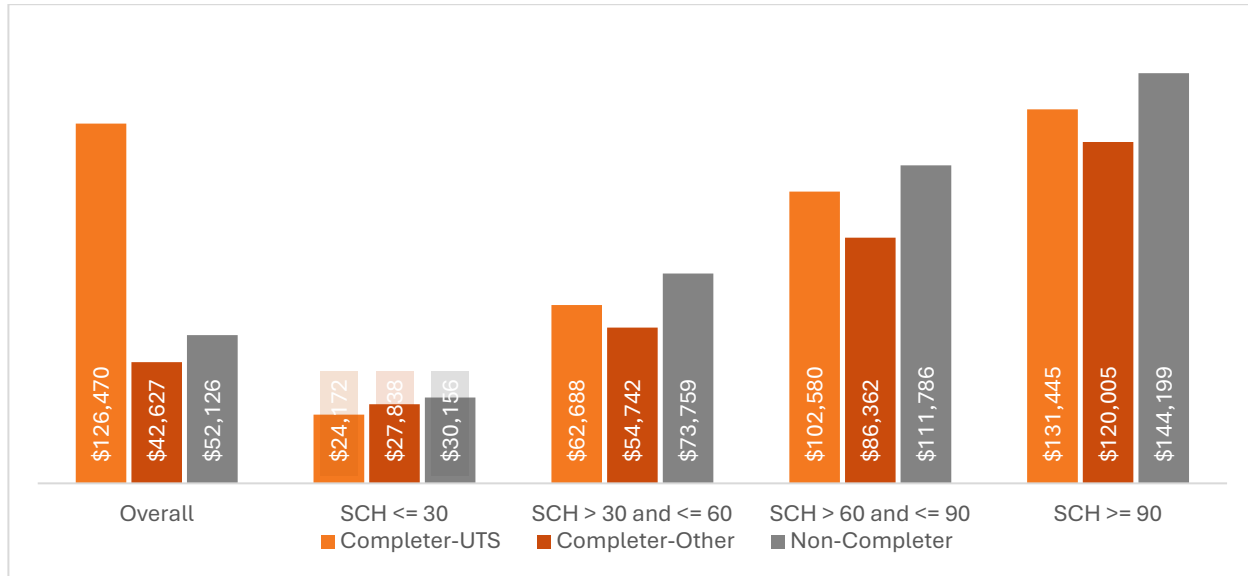


Chart 4 Related Table: Student Counts

	Overall	SCH<=30	SCH>30 and <=60	SCH >60 and <=90	SCH>=90
UT Completers	133,413	796	1,675	16,046	114,896
Other Completers	12,343	7,186	3,922	1,094	141
Non-Completers	52,914	34,895	10,351	5,038	2,630

At every institution, Non-Completers have a higher cost of attendance than Other Completers because, on average, they spend more time at institutions (2.4 years versus 1.8 years) and attempt more credits (50 SCH versus 41 SCH).

Net Cost of Attendance

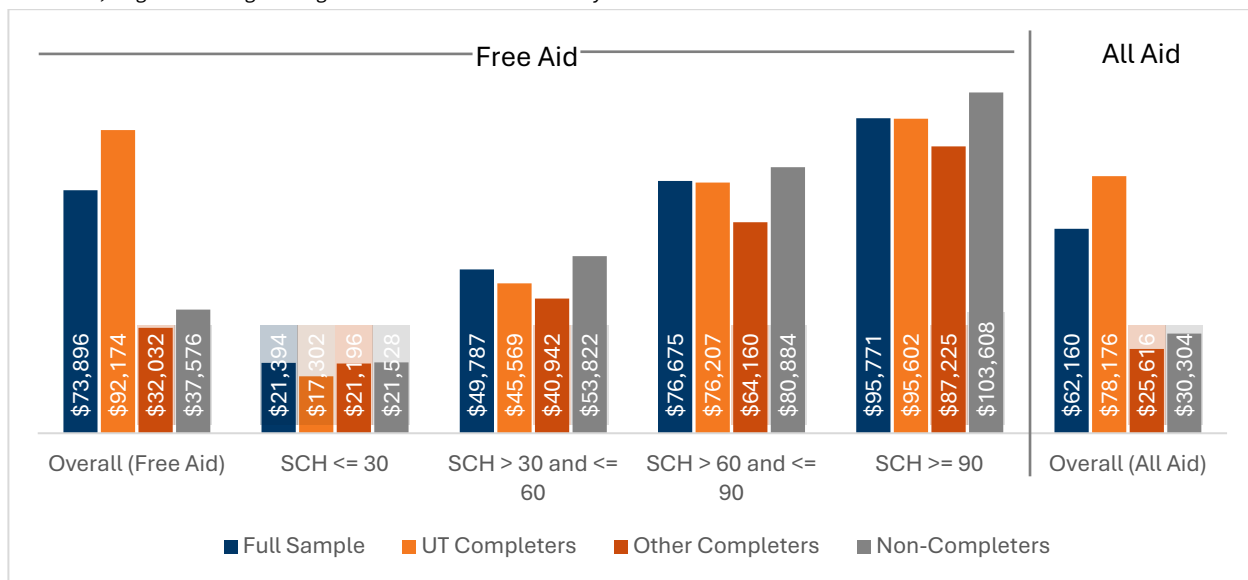
Since 81% of the full population receive some financial aid in their first year, it's important to consider how aid impacts cost. Financial aid, especially free aid, can significantly reduce costs for those who receive it. We can estimate the net cost for students by subtracting total free aid from total costs.

- The average total cost for UT Completers falls from \$126,500 to \$92,200 when free aid is deducted.
- The average total cost for Other Completers drops from \$42,600 to \$32,000 when free aid is deducted.
- The average total cost for Non-Completers decreases from \$52,100 to \$37,600 when free aid is deducted.

Chart 5: Net Cost of Attendance by Completion Status and Credit Hours Earned (in 2023 dollars)

Based on Total Cumulative Cost of Attendance for Total SCH Attempted (Chart 4)

First-Time, Degree-Seeking Undergraduates Who Entered a UT System Academic Institution in Fall 2011-2018



Employment in Texas & Return on Investment

Cost is the aspect of affordability most closely tied to access; keeping cost down—and providing financial aid—helps students get in the door and hopefully leads them to successfully completing their degree. However, the other side of affordability is employment measures, or the return, on both the student's financial investment and their time. Employment measures include both being employed and earning a good wage.

- Non-Completers are less likely to be found employed in Texas, though that gap declines over time. Other Completers are the most likely to be found employed in Texas in all years except for the first year after postsecondary exit. In the eighth year after exiting college, almost 70% of all three subgroups are found employed in Texas.
- UT Completers found working in Texas earn the highest median wages of all three groups, with Other Completers close behind across time.
- The median wages for UT Completers employed in Texas are approximately \$25,000 to \$40,000 more per year than those of Non-Completers for the period evaluated.

- In the first year after exit, the median wage for Non-Completers is approximately \$20,000, or just 42% of the median wage for UT Completers (\$47,000). In year eight, the median wage for Non-Completers was approximately \$40,000, or 50% of the median wages for UT Completers (\$80,000).
- Additionally, the median wages for UT Completers tend to increase at a faster rate over time than the median wages for Non-Completers.

Chart 6: Percent of Full Population Found Employed in Texas, by Completion Status and Years Since Postsecondary Exit

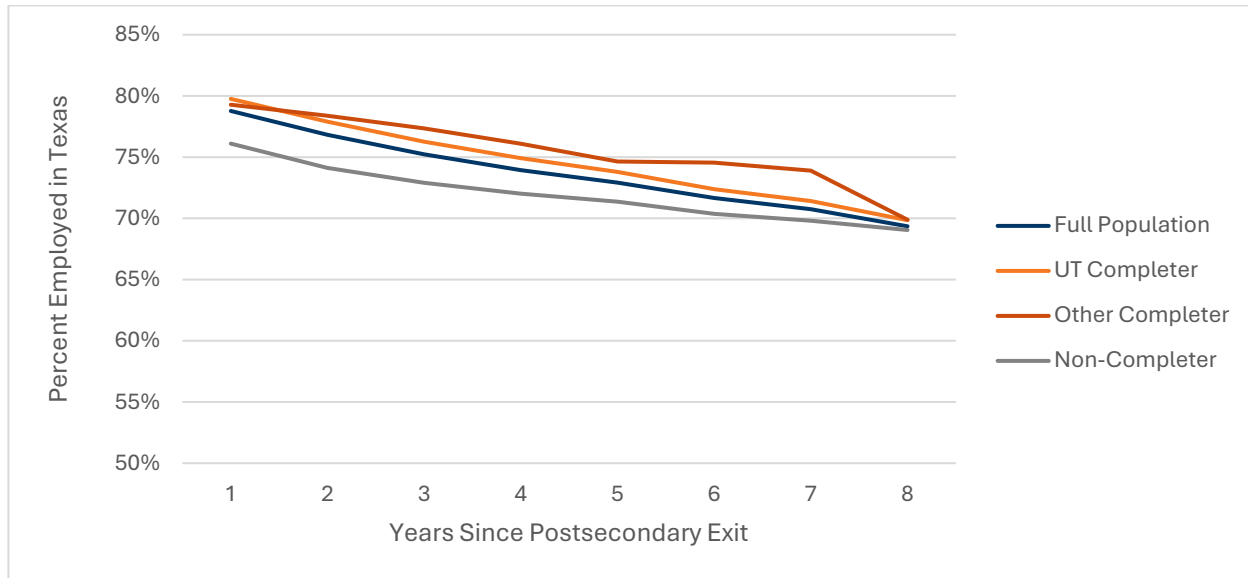
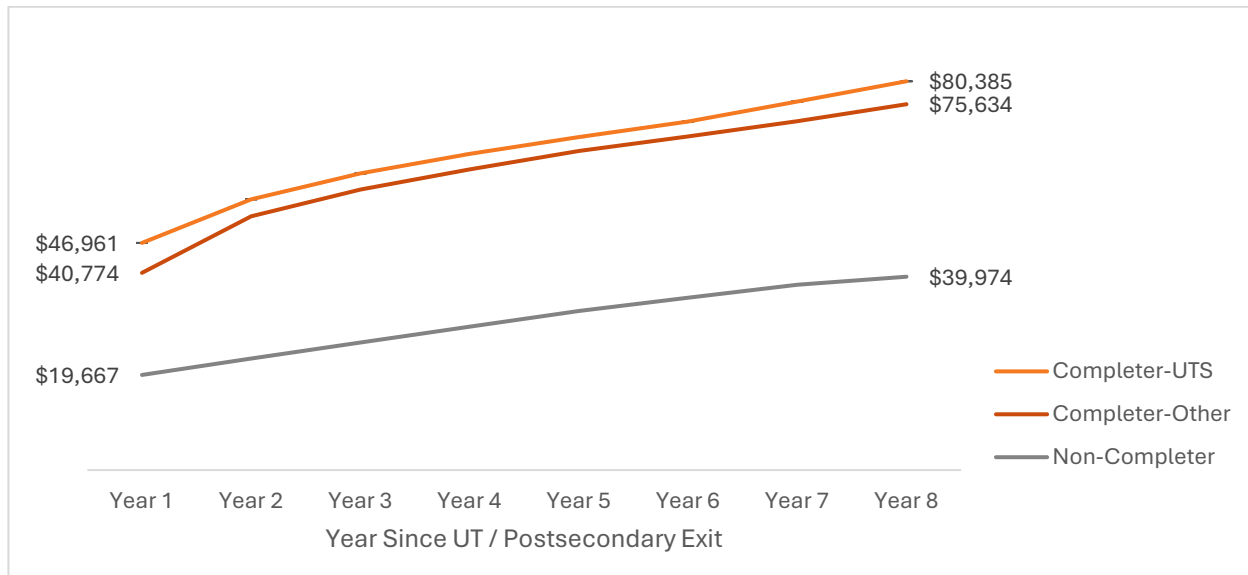


Chart 7: Median Wage of Full Population Found Employed in Texas, by Completion Status and Years Since Postsecondary Exit (in 2023 dollars)



Conclusion

Earning a UT System bachelor's degree does bring a clear financial pay-off in the form of higher salaries. The returns likely vary by area of study, demographic characteristics, and industry and location of employment. In the future, we will expand this work to explore some of these breakdowns where we have data available. UT System and its institutions remain committed to keeping down academic costs and preserving access to high quality undergraduate education through programs such as Promise Plus, which covers tuition and fees for eligible students from families with AGI under \$100,000.

For Non-Completers, we must acknowledge the hardship that comes, especially for those who spend more time enrolled, and, thus, more money, but do not receive the financial benefit of the degree. UT institutions continue to provide student aid, streamline degree programs, and provide students the tools to thrive and be successful. While working to support every student, we must still acknowledge that not every student will graduate, and for those who do not, we must minimize harm in terms of sunk costs and lost opportunity.