
Warning: Demographic Cliff Ahead

Connecticut Conference of
Independent Colleges

June 11, 2019

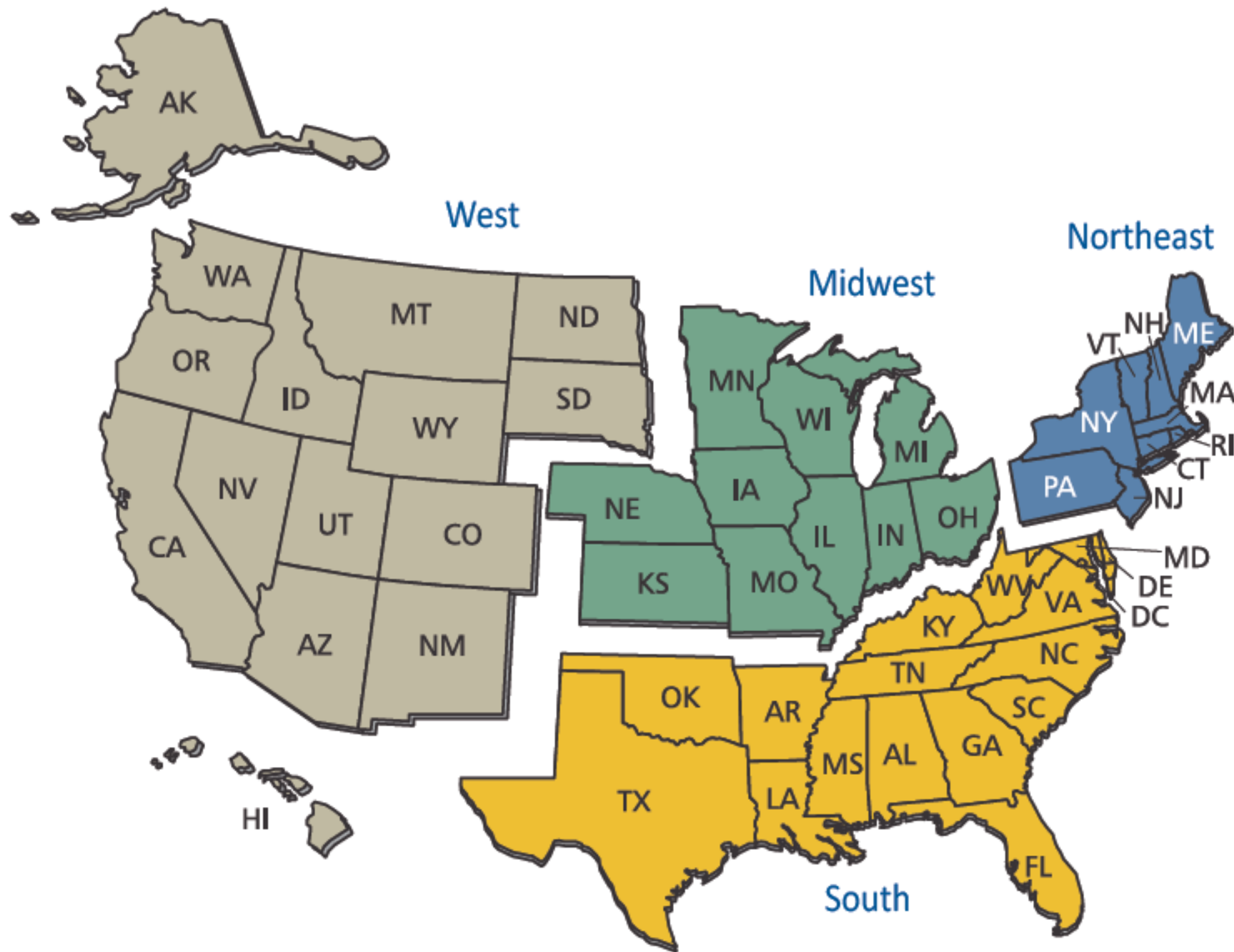
Your presenters:

Kate Gerbode-Grant- Director, Higher Education Services, College Board

The class of 2025 will mark the beginning of a significant decline in the number of high school graduates in the United States.

This has important implications for higher education institutions.

Knocking on the College Door (WICHE)



2017-2029

U.S.A. 2017	3,385,917	by 2021	+34,294 (+1%)
U.S.A. 2024	3,420,217	by 2025	+140,840 (+4%)
U.S.A. 2025	3,561,057	by 2029	-293,225 (-8%)

West 2017	808,871	by 2021	+21,792 (+3%)
West 2024	830,692	by 2025	+25,160 (+3%)
West 2025	855,852	by 2029	-73,901 (-9%)

Midwest 2017	726,056	by 2021	-6,970 (-1%)
Midwest 2024	719,086	by 2025	+13,477 (+2%)
Midwest 2025	732,563	by 2029	-61,503 (-9%)

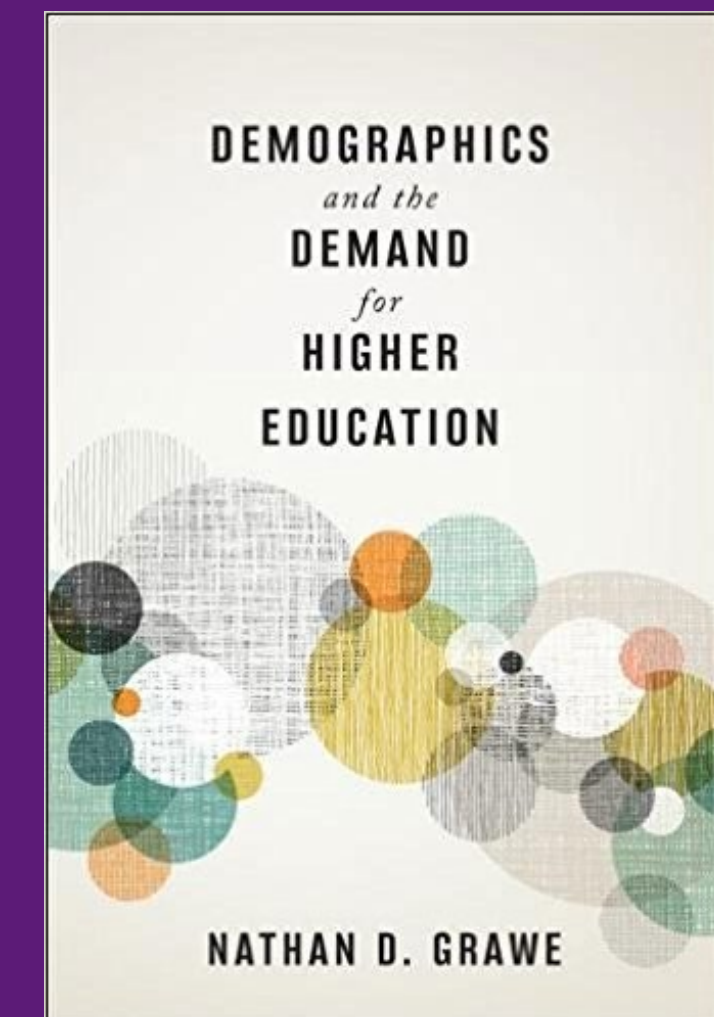
Northeast 2017	603,414	by 2021	-3,406 (-1%)
Northeast 2024	600,008	by 2025	+12,629 (+2%)
Northeast 2025	612,637	by 2029	-41,983 (-7%)

South 2017	1,244,587	by 2021	+22,288 (+2%)
South 2024	1,266,869	by 2025	+85,769 (+7%)
South 2025	1,352,638	by 2029	-113,857 (-9%)

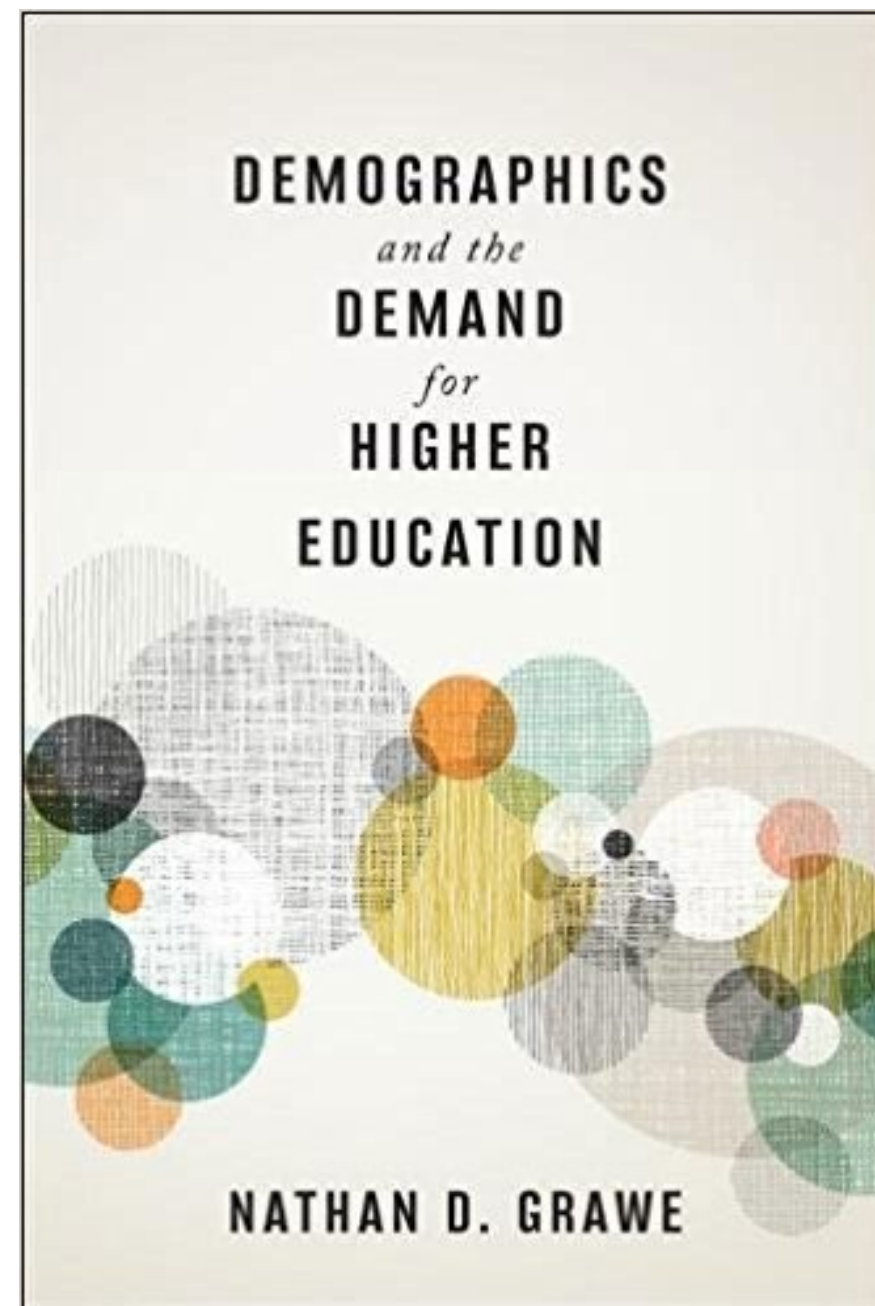
Hispanic
2017-2025
+31%
+219,150

Private School
2017-2023
-18%
-48,823

Are headcounts the right way to think about future demand for higher education?



Higher Education Demand Index (HEDI)



-
- For a wide variety of reasons, there have been different patterns of college attendance along the lines of gender, race, income, geography, parental education, family structure, etc.
 - **Different groups of students have different probabilities of attending college.**
 - Dr. Nathan Graue built a model of higher education attendance and developed future demand forecasts – the Higher Education Demand Index (HEDI)
 - The HEDI should be considered a baseline. Think of these projections as what would happen if nothing of significance changed.

The problem with headcounts

Example:

Lilly: Asian American female living in Boston with both parents who both have a bachelor's degree and earn \$125,000 annually.

Marco: Hispanic male living in California with a mother who hold no degree and earns \$40,000 annually.

Probability of Lilly attending a 4 year college or university = 96%

Probability of Marco attending a 4 year college or university = 9%

Probability of Lilly attending a college or university ranked in the top 50 = 73%

Probability of Marco attending a college or university ranked in the top 50 = 2%

Dimensions of HEDI

HEDI Personal Characteristics

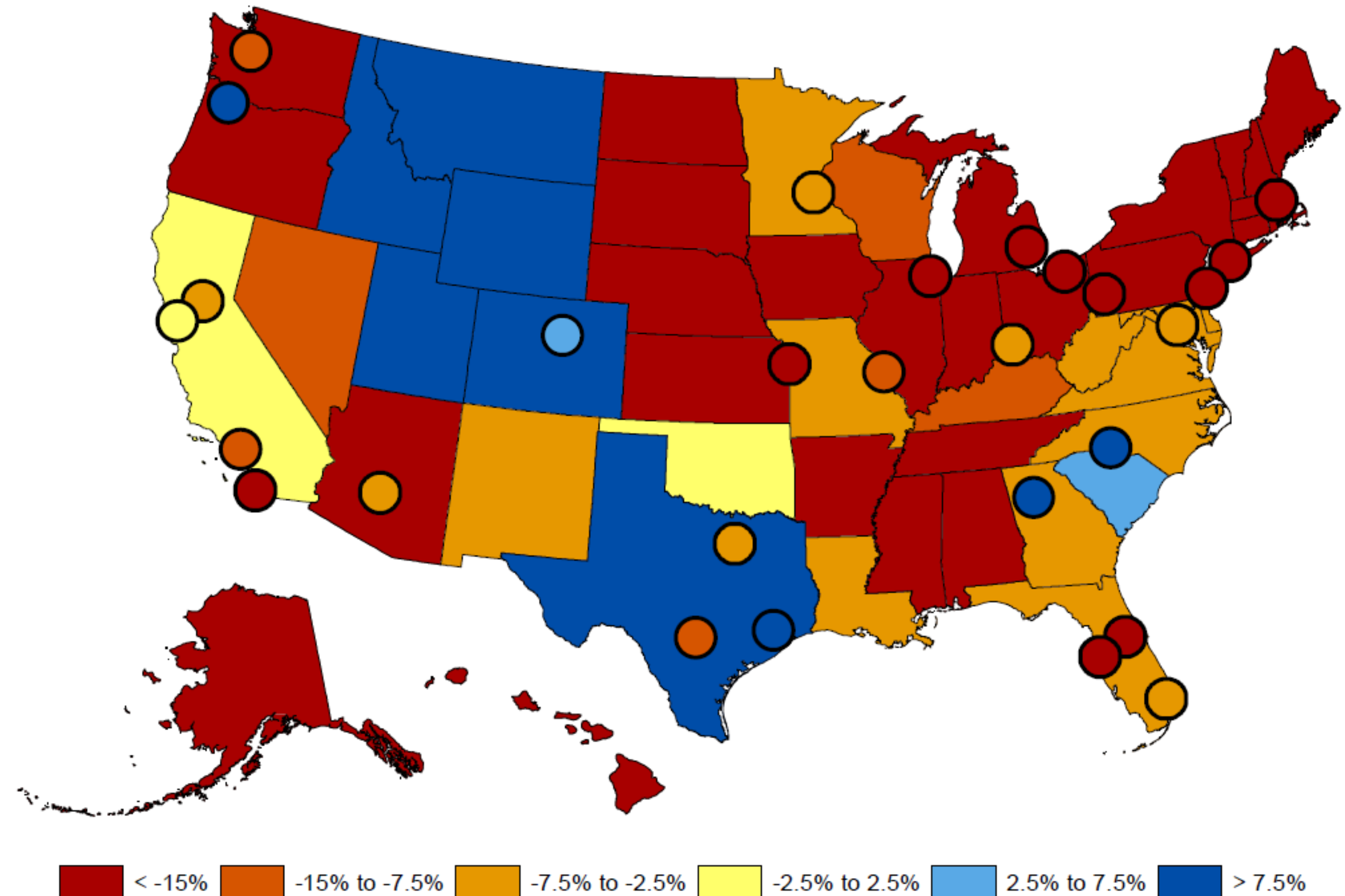
- “Full Pay”
- Income Greater Than and Less Than \$100K
- Parental Education (No BA, One BA, Two BA)
- Race/Ethnicity (Asian, Black, Hispanic, Other, White)

HEDI Institution Types

- Any college
- 2-year
- 4-year with regional, national, and elite splits

HEDI Geography - Projections are available across 63 different Metropolitan Statistical Areas (MSA) and States.

Figure 4.3 Forecasted growth in college-going students, 2012 to 2029



Higher Education Demand Index (HEDI)



2018-2029

All percentages relative to 2018

All FourYear 2018	1,783,720
All FourYear 2019	1,783,517 (0%)
All FourYear 2025	1,863,528 (+4%)
All FourYear 2029	1,583,889 (-11%)

Regional FourYear 2018	1,446,526
Regional FourYear 2019	1,442,102 (0%)
Regional FourYear 2025	1,511,125 (+4%)
Regional FourYear 2029	1,268,267 (-12%)

National FourYear 2018	281,214
National FourYear 2019	282,856 (+1%)
National FourYear 2025	299,651 (+7%)
National FourYear 2029	251,825 (-10%)

Elite FourYear 2018	170,980
Elite FourYear 2019	174,054 (+2%)
Elite FourYear 2025	188,006 (+10%)
Elite FourYear 2029	174,451 (+2%)

HEDI Category Definitions

Elite= #1-50 USNWR National Colleges and Universities

National= #51-100 USNWR

Regional= Outside top 100 USNWR

How do I read the numbers?

“The market for prospective students in 2018 seeking a four-year college in the United States was 1,783,720.”

HEDI Northeast



2018-2029

All percentages relative to 2018

All Four Year
Regional
National
Elite

	All Northeast	Middle Atlantic	New England
2018	386,587	283,751	84,836
2019	357,148 (-3%)	276,128 (-3%)	81,020 (-4%)
2025	363,570 (-1%)	284,016 (0%)	79,555 (-6%)
2029	305,726 (-17%)	240,297 (-15%)	65,430 (-23%)
2018	294,294	232,049	62,244
2019	282,035 (-4%)	224,106 (-3%)	57,928 (-7%)
2025	290,979 (-1%)	232,372 (0%)	58,606 (-6%)
2029	241,132 (-18%)	192,970 (-17%)	48,162 (-23%)
2018	62,500	44,108	18,392
2019	60,895 (-3%)	43,517 (-1%)	17,378 (-6%)
2025	63,281 (+1%)	46,121 (+5%)	17,160 (-7%)
2029	51,654 (-17%)	37,825 (-14%)	13,830 (-25%)
2018	45,619	32,609	13,101
2019	46,336 (+2%)	33,086 (+1%)	13,251 (+2%)
2025	47,542 (+4%)	34,311 (+5%)	13,231 (+2%)
2029	42,720 (-6%)	31,691 (-3%)	11,029 (-15%)

HEDI Midwest



2018-2029

All percentages relative to 2018

All Four Year
Regional
National
Elite

	All Midwest	West North Central	East North Central
2018	403,276	120,259	283,108
2019	397,099 (-2%)	131,158 (+9%)	265,941 (-6%)
2025	403,980 (0%)	126,879 (+6%)	277,100 (-2%)
2029	334,006 (-17%)	114,742 (-5%)	219,264 (-23%)
2018	319,978	95,885	224,093
2019	316,963 (-1%)	104,655 (+9%)	212,308 (-5%)
2025	323,219 (+1%)	101,750 (+6%)	221,468 (-1%)
2029	263,594 (-18%)	90,193 (-6%)	173,401 (-23%)
2018	75,499	24,117	75,499
2019	73,745 (-2%)	26,805 (+11%)	73,745 (-9%)
2025	75,049 (-1%)	24,702 (+2%)	75,049 (-2%)
2029	60,614 (-20%)	21,903 (-9%)	60,614 (-25%)
2018	36,628	7,001	29,626
2019	34,073 (-7%)	7,675 (+10%)	26,398 (-11%)
2025	36,629 (0%)	8,409 (+20%)	28,220 (-5%)
2029	32,367 (-12%)	8,820 (+26%)	23,547 (-21%)

HEDI South



2018-2029

All percentages relative to 2018

	All South	West South Central	East South Central	South Atlantic	
All Four Year	2018	640,460	222,763	86,596	331,102
	2019	651,365 (+2%)	223,170 (0%)	88,492 (+2%)	339,703 (+3%)
	2025	695,777 (+9%)	256,263 (+15%)	91,394 (+6%)	348,121 (+5%)
	2029	582,970 (-9%)	205,090 (-8%)	74,191 (-14%)	303,690 (-8%)
Regional	2018	534,480	193,699	73,249	267,532
	2019	541,006 (+1%)	193,740 (0%)	74,483 (+2%)	272,783 (+2%)
	2025	578,825 (+8%)	220,575 (+14%)	76,269 (+4%)	281,981 (+5%)
	2029	480,314 (-10%)	173,315 (-11%)	60,779 (-17%)	246,221 (-8%)
National	2018	99,722	33,966	12,579	53,177
	2019	103,758 (+4%)	34,387 (+1%)	12,888 (+2%)	56,483 (+6%)
	2025	113,914 (+14%)	40,297 (+19%)	13,629 (+8%)	59,987 (+13%)
	2029	94,730 (-5%)	32,704 (-4%)	11,461 (-9%)	50,565 (-5%)
Elite	2018	47,501	7,963	5,623	33,914
	2019	50,211 (+6%)	8,619 (+8%)	5,831 (+4%)	35,761 (+5%)
	2025	56,392 (+19%)	13,257 (+66%)	6,760 (+20%)	36,375 (+7%)
	2029	52,939 (+11%)	14,793 (+86%)	6,119 (+9%)	32,027 (-6%)

HEDI West



2018-2029

All percentages relative to 2018

All Four Year

Regional

National

Elite

	All West	Pacific	Mountain
2018	371,396	246,242	125,154
2019	377,906 (+2%)	247,456 (0%)	130,450 (+4%)
2025	400,201 (+8%)	256,215 (+8%)	134,986 (+8%)
2029	361,186 (-3%)	244,161 (-1%)	117,025 (-6%)
2018	297,774	189,248	108,527
2019	302,099 (+1%)	189,486 (0%)	112,612 (+4%)
2025	318,103 (+7%)	204,509 (+8%)	113,594 (+5%)
2029	283,227 (-5%)	186,780 (-1%)	96,447 (-11%)
2018	43,493	29,862	13,161
2019	44,458 (+2%)	30,177 (-1%)	14,281 (+5%)
2025	47,408 (+9%)	32,126 (+8%)	15,272 (+12%)
2029	44,826 (+3%)	30,864 (+3%)	14,142 (+4%)
2018	41,233	34,172	7,060
2019	43,434 (+5%)	35,627 (+4%)	7,807 (+11%)
2025	47,443 (+15%)	37,715 (+10%)	9,728 (+38%)
2029	46,424 (+13%)	36,571 (+7%)	9,853 (+40%)

<https://people.carleton.edu/~ngrawe/HEDI/StatusQuo.xlsx>

Dimensions of HEDI

HEDI Personal Characteristics

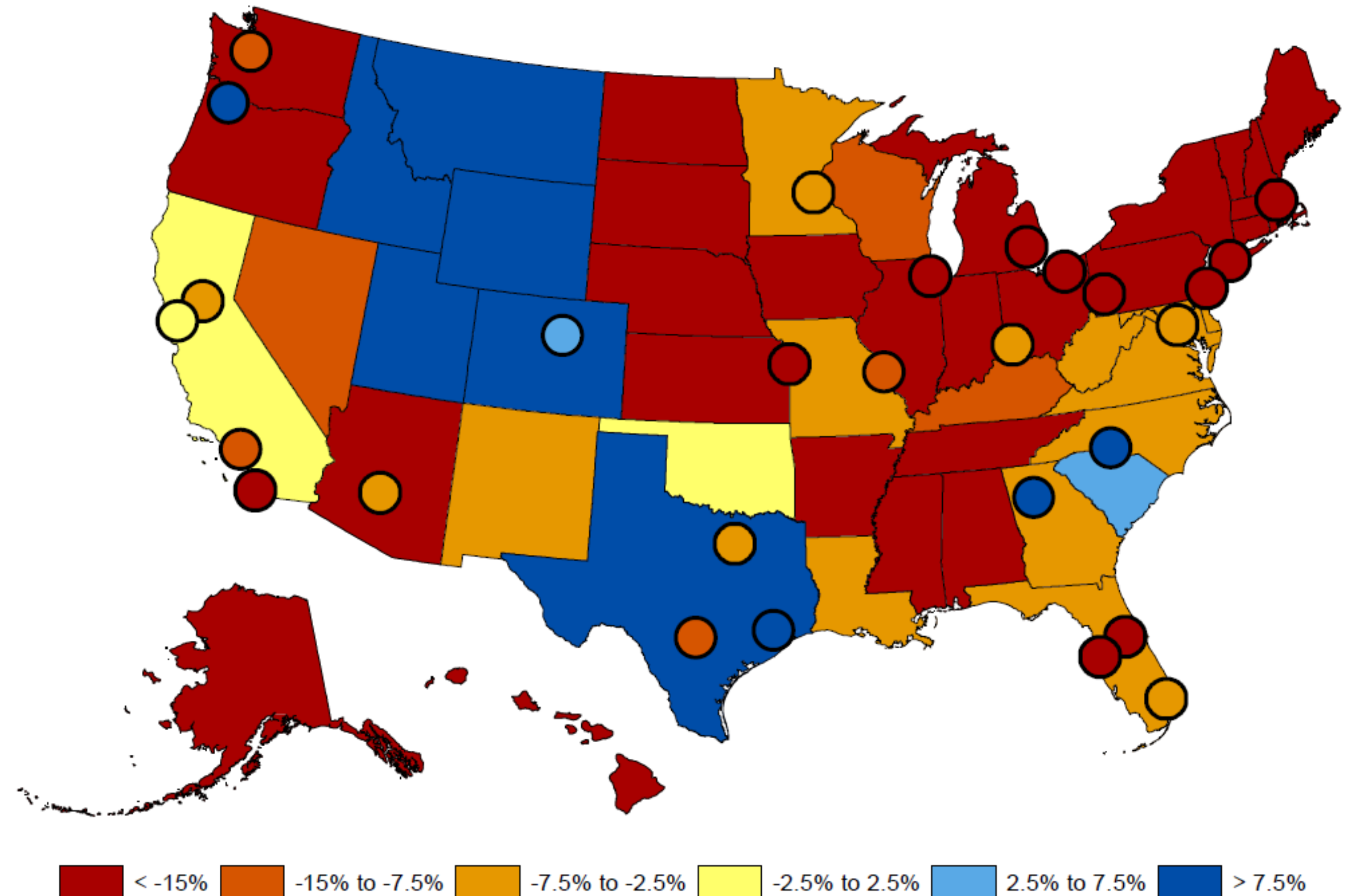
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- Race/Ethnicity (Asian, Black, Hispanic, Other, White)

HEDI Institution Types

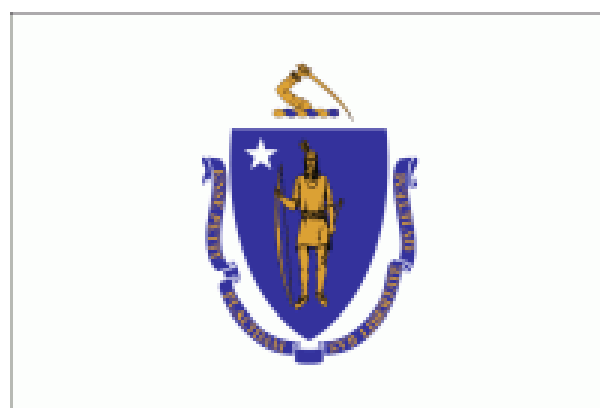
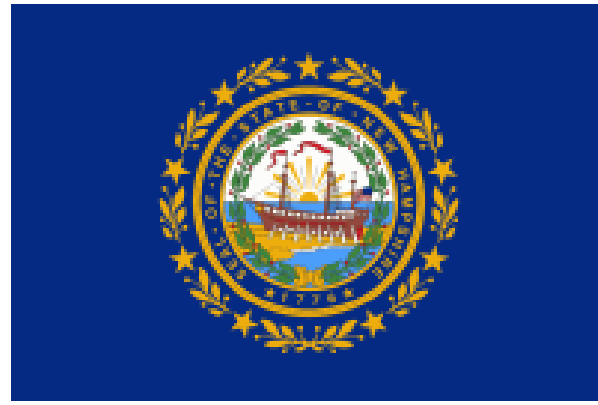
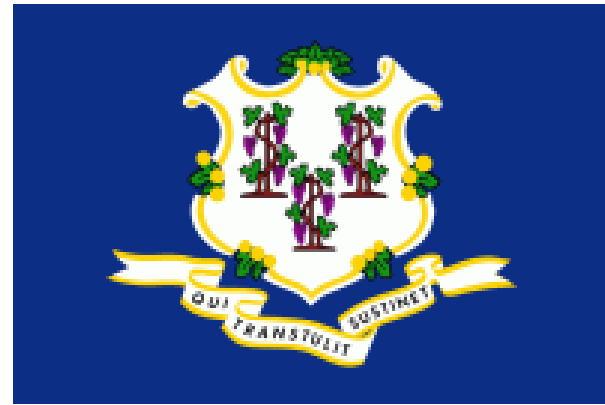
- Any college
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HEDI Geography - Projections are available across 63 different Metropolitan Statistical Areas (MSA) and States.

Figure 4.3 Forecasted growth in college-going students, 2012 to 2029



HEDI New England

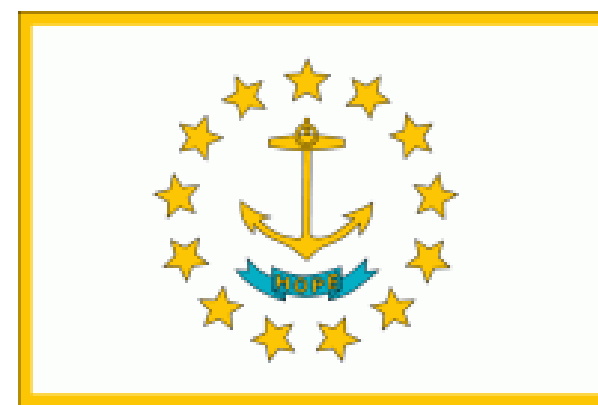
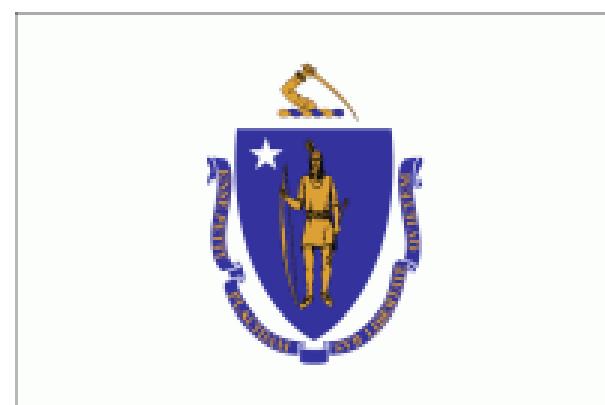
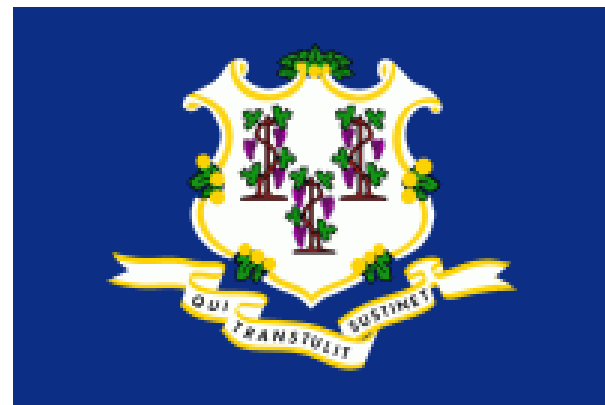


2018-2029

All percentages relative to 2018

		New England	ME, NH, VT outside Boston Me
All Four Year	2018	84,836	10,582
	2019	81,020 (-4%)	10,588 (0%)
	2025	79,555 (-6%)	9,557 (-10%)
	2029	65,430 (-23%)	9,156 (-13%)
Regional	2018	62,244	7,933
	2019	57,928 (-7%)	7,769 (-2%)
	2025	58,606 (-6%)	7,125 (-10%)
	2029	48,162 (-23%)	6,787 (-14%)
National	2018	18,392	1,946
	2019	17,378 (-6%)	1,958 (+1%)
	2025	17,160 (-7%)	1,739 (-11%)
	2029	13,830 (-25%)	1,694 (-13%)
Elite	2018	13,101	1,163
	2019	13,251 (+2%)	1,234 (+6%)
	2025	13,231 (+2%)	1,140 (-2%)
	2029	11,029 (-15%)	1,176 (+1%)

HEDI New England

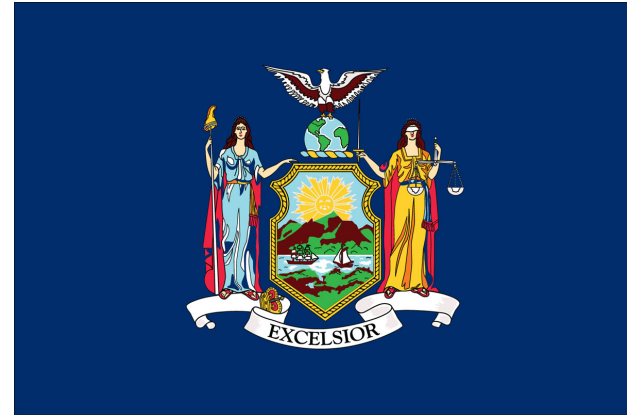


2018-2029

All percentages relative to 2018

	All MA, CT, RI (incl. Boston)	CT, MA, RI outside Boston Metro	Boston Metro	
All Four Year	2018	74,254	23,312	50,942
	2019	70,433 (-5%)	23,468 (+1%)	46,945 (-8%)
	2025	69,998 (-6%)	20,875 (-10%)	49,122 (-4%)
	2029	56,274 (-24%)	16,802 (-28%)	39,471 (-23%)
Regional	2018	54,311	17,357	36,954
	2019	50,160 (8%)	17,367 (0%)	32,792 (-11%)
	2025	51,482 (-5%)	16,124 (-7%)	35,357 (-4%)
	2029	41,374 (-24%)	12,757 (-27%)	26,618 (-23%)
National	2018	16,446	4,407	12,039
	2019	15,420 (-6%)	4,408 (0%)	11,012 (-9%)
	2025	15,421 (-6%)	3,731 (-15%)	11,689 (-3%)
	2029	12,135 (-26%)	3,188 (-28%)	8,947(-26%)
Elite	2018	11,847	3,060	8,787
	2019	12,017 (+1%)	3,120 (+2%)	8,897 (+1%)
	2025	12,092 (+2%)	2,740 (-10%)	9,352 (+6%)
	2029	9,853 (-17%)	2,432 (-21%)	7,421 (-16%)

HEDI NY & NJ

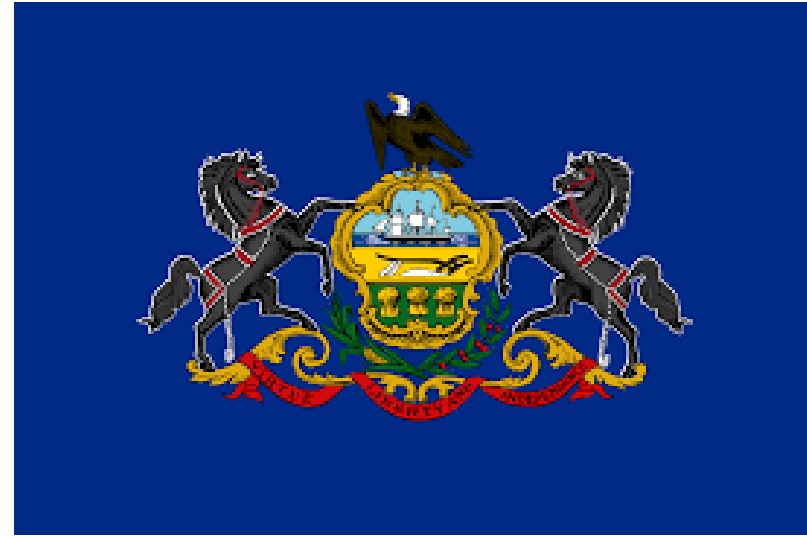


	All New York & New Jersey	NY outside NYC	NYC including All NJ	
All FourYear	2018	188,357	35,357	153,000
	2019	184,648 (-2%)	35,563 (+1%)	149,085 (-3%)
	2025	189,534 (+3%)	32,333 (-9%)	162,201 (+6%)
	2029	159,341 (-15%)	28,206 (-20%)	131,135 (-14%)
Regional	2018	153,581	29,421	124,160
	2019	149,276 (-3%)	29,417 (0%)	119,859 (-3%)
	2025	159,361 (+4%)	26,542 (-10%)	132,820 (+7%)
	2029	127,125 (-17%)	22,340 (-24%)	104,785 (-16%)
National	2018	30,040	4,763	25,278
	2019	29,843 (-1%)	4,998 (+5%)	24,845 (-2%)
	2025	33,181 (+10%)	4,661 (-2%)	28,521 (+13%)
	2029	25,975 (-14%)	4,195 (-12%)	21,780 (-14%)
Elite	2018	22,474	3,391	19,083
	2019	23,043 (+3%)	3,542(+4%)	19,501 (+2%)
	2025	23,455 (+4%)	3,276 (-3%)	20,178 (+6%)
	2029	22,525 (0%)	3,326 (-3%)	19,199 (+1%)

2018-2029

All percentages relative to 2018

HEDI Pennsylvania



2018-2029

All percentages relative to 2018

	All Pennsylvania	Not PHL or PIT	Philadelphia Metro	Pittsburgh Metro	
All Four Year	2018	95,394	36,817	45,274	13,304
	2019	91,480 (-4%)	33,120 (-10%)	46,268 (+2%)	12,092 (-9%)
	2025	89,482 (-6%)	32,938 (-11%)	43,168 (-5%)	13,376 (+1%)
	2029	80,956 (-15%)	31,723 (-14%)	37,959 (-16%)	11,274 (-15%)
Regional	2018	78,468	30,838	36,897	10,733
	2019	74,830 (-5%)	27,412 (-11%)	37,741 (+2%)	9,678 (-10%)
	2025	73,011 (-7%)	27,290 (-12%)	34,691 (-6%)	11,030 (+3%)
	2029	65,845 (-16%)	25,770 (-16%)	30,951 (-16%)	9,124 (-15%)
National	2018	14,067	4,659	7,432	1,976
	2019	13,674 (-3%)	4,281 (-8%)	7,555(+2%)	1,839 (-7%)
	2025	12,940 (-8%)	4,055 (-13%)	6,778 (-9%)	2,106 (+7%)
	2029	11,850 (-16%)	3,965 (-15%)	6,242 (-16%)	1,644 (-17%)
Elite	2018	10,135	3,389	5,250	1,496
	2019	10,043 (-1%)	3,205 (-5%)	5,334 (+2%)	1,503 (+1%)
	2025	10,856 (+7%)	3,473 (+2%)	5,898 (+12%)	1,485 (-1%)
	2029	9,166 (-10%)	3,514 (+4%)	4,483 (-15%)	1,169 (-22%)

HEDI DE, MD, VA, WV, DC



2018-2029

All percentages relative to 2018

All Four Year

Regional

National

Elite

2018
2019
2025
2029

2018
2019
2025
2029

2018
2019
2025
2029

2018
2019
2025
2029

	All DE MD VA WV DC	DE MD VA WV	DC Metro
All Four Year	95,273	33,470	61,804
	103,067 (+8%)	38,668 (+16%)	64,399 (+4%)
	102,138 (+7%)	38,266 (+14%)	63,872 (+3%)
	91,314 (-4%)	35,047 (+5%)	56,286 (-9%)
Regional	73,534	27,394	46,140
	80,014 (+9%)	31,158 (+14%)	48,856 (+6%)
	79,844 (+9%)	31,198 (+14%)	48,646 (+5%)
	72,271 (-2%)	28,835 (+5%)	43,436 (-6%)
National	17,123	4,889	12,234
	19,314 (+13%)	5,982 (+22%)	13,332 (+9%)
	19,740 (+13%)	6,353 (+30%)	13,387 (+9%)
	16,683 (-3%)	5,964 (+22%)	10,719 (-12%)
Elite	12,526	2,961	9,565
	13,193 (+5%)	3,616 (+22%)	9,578 (0%)
	13,148 (+5%)	3,539 (+20%)	9,609 (0%)
	11,220 (-10%)	3,096 (+5%)	8,125 (-15%)

<https://people.carleton.edu/~ngrawe/HEDI/StatusQuo.xlsx>

WICHE & HEDI are not destiny.

Actions taken in the (a) recruitment and (b) preparation of future students can change outcomes.

“Make no little plans; they have no magic to stir the blood and probably themselves will not be realized.” – D. Burnham

In the Northeast in 2016, 52% of high school graduates attended a four-year institution and 18% a two-year or other type of institution.

But more than 30% of 2016 high school graduates in the Northeast, about 186,000 students, did not engage in higher education.

Calculated from WICHE and IPEDS Freshman Migration data for 2016.

In the Midwest in 2016, 47% of high school graduates attended a four-year institution and 18% a two-year or other type of institution.

But more than 35% of 2016 high school graduates in the Midwest, about 255,000 students, did not engage in higher education.

Calculated from WICHE and IPEDS Freshman Migration data for 2016.

In the South in 2016, 43% of high school graduates attended a four-year institution and 21% a two-year or other type of institution.

But more than 35% of 2016 high school graduates in the South, about 443,000 students, did not engage in higher education.

Calculated from WICHE and IPEDS Freshman Migration data for 2016.

In the West in 2016, 35% of high school graduates attended a four-year institution and 23% a two-year or other type of institution.

But more than 41% of 2016 high school graduates in the South, about 339,000 students, did not engage in higher education.

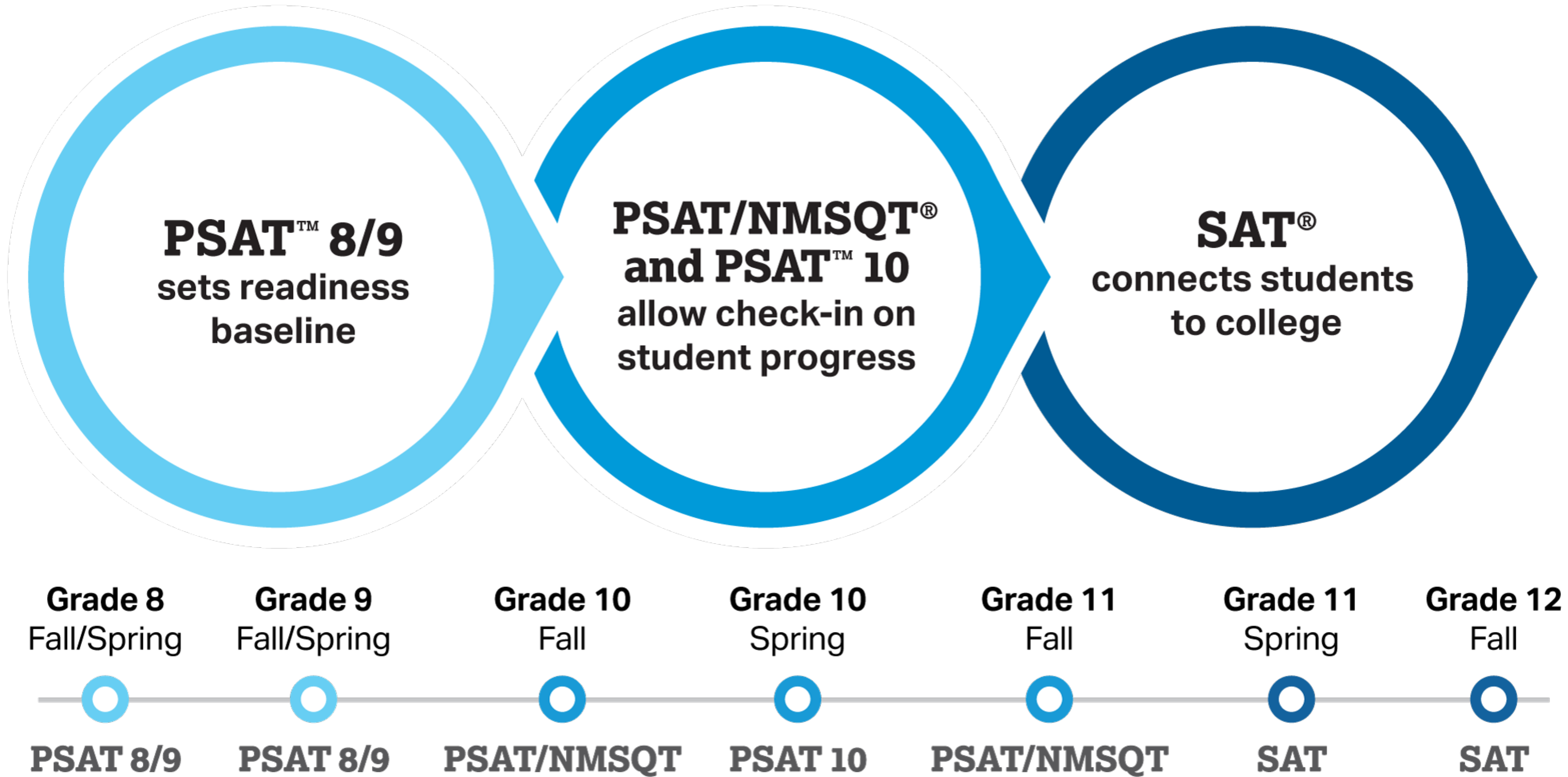
Calculated from WICHE and IPEDS Freshman Migration data for 2016.

Emerging Trends:

**SAT School Day &
SAT Research**



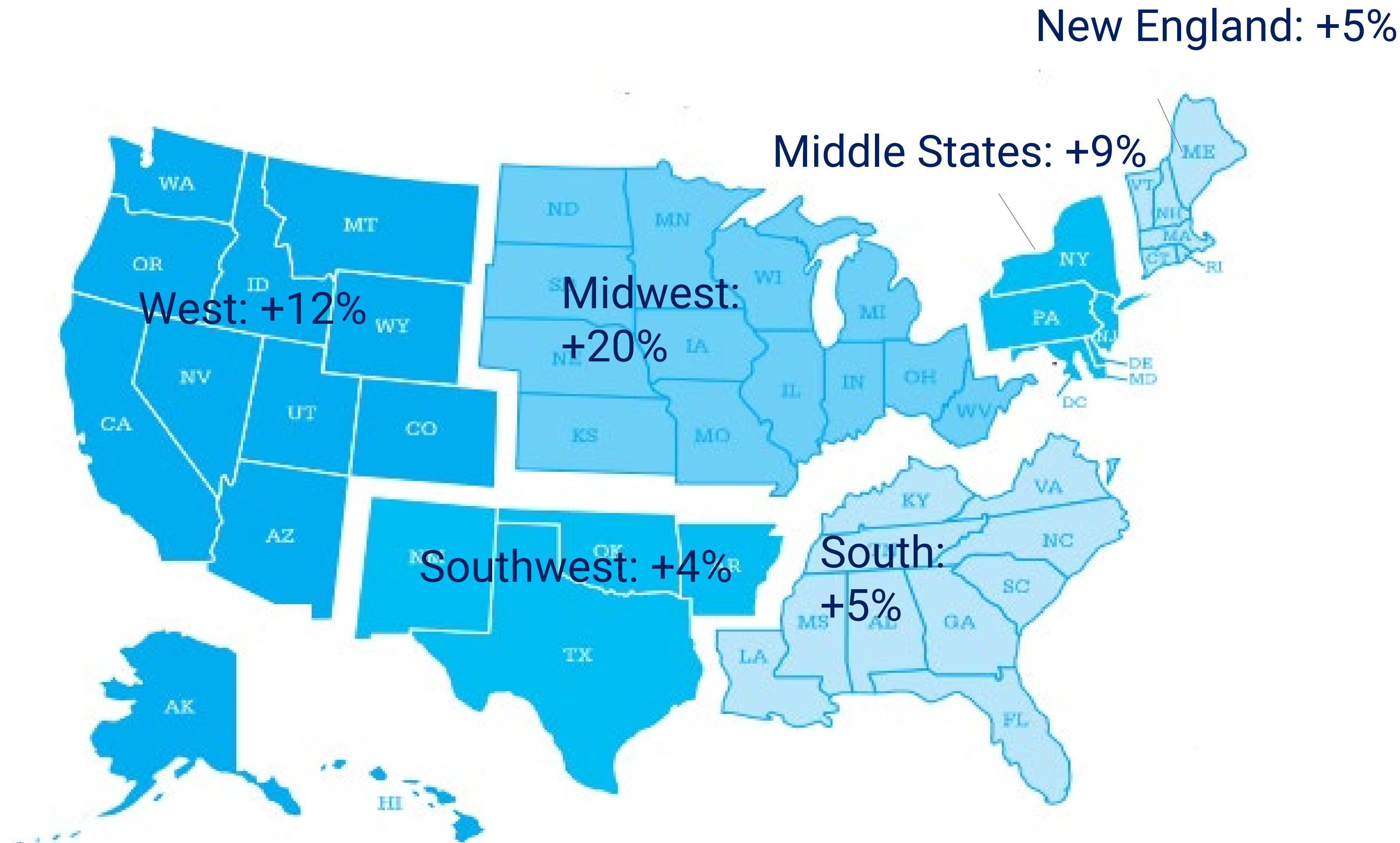
The SAT Suite of Assessments



U.S. Participation

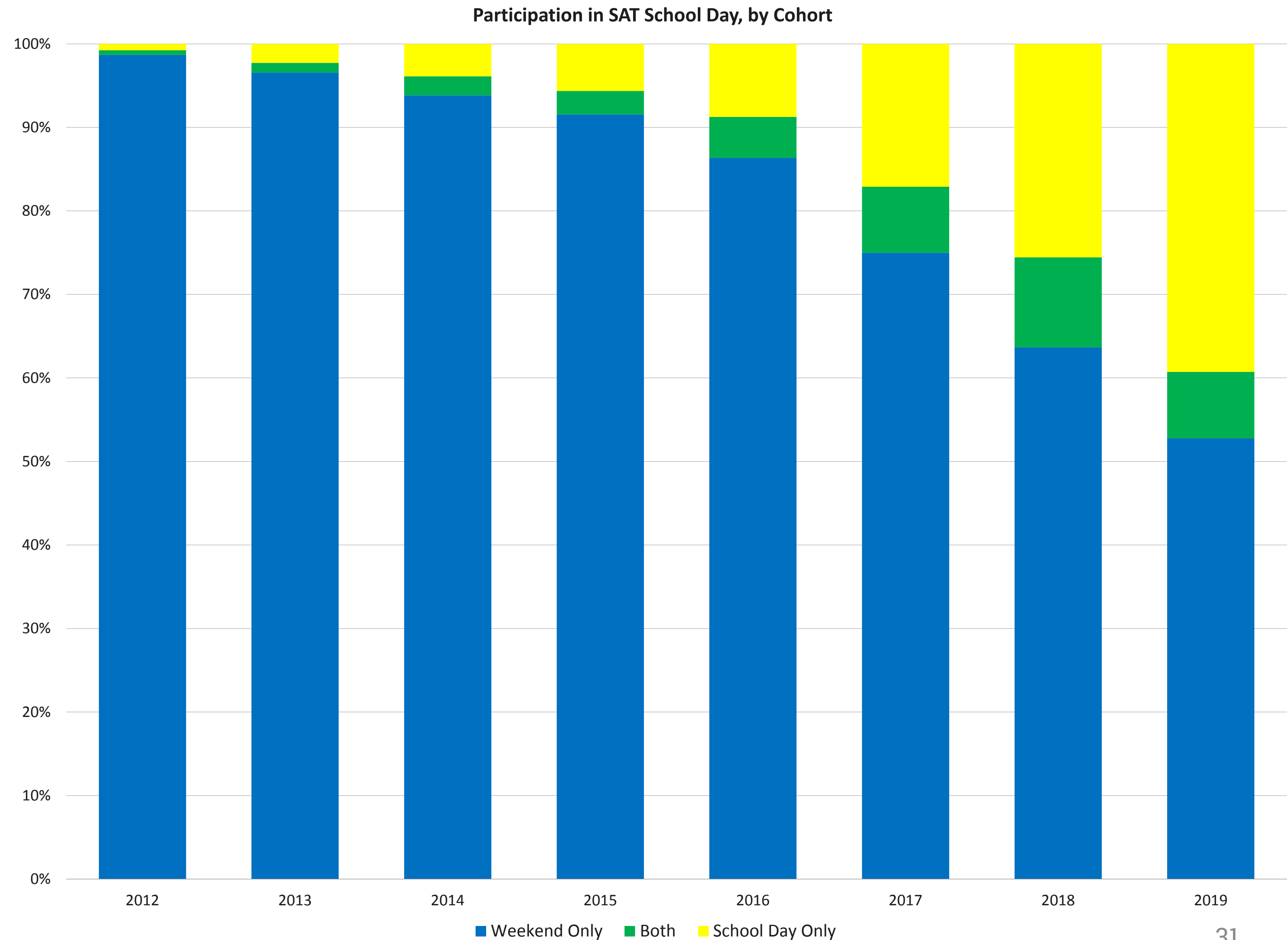
Participation rates increased in every region.

Percentage of students in the class of 2018 taking the SAT by region (and YOY change from class of 2017)



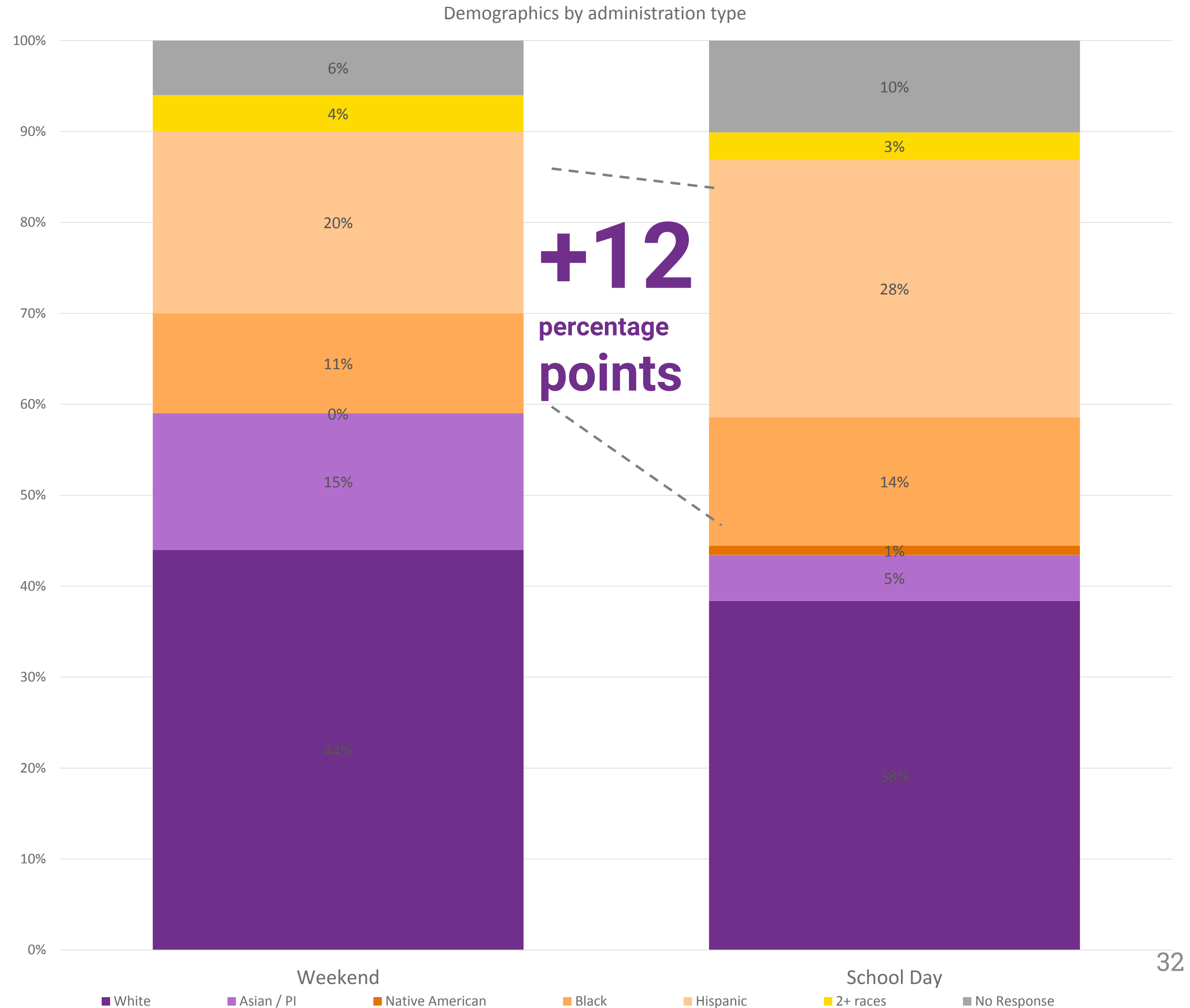
SAT School Day & Saturday Administrations

Many School Day students retake the SAT.



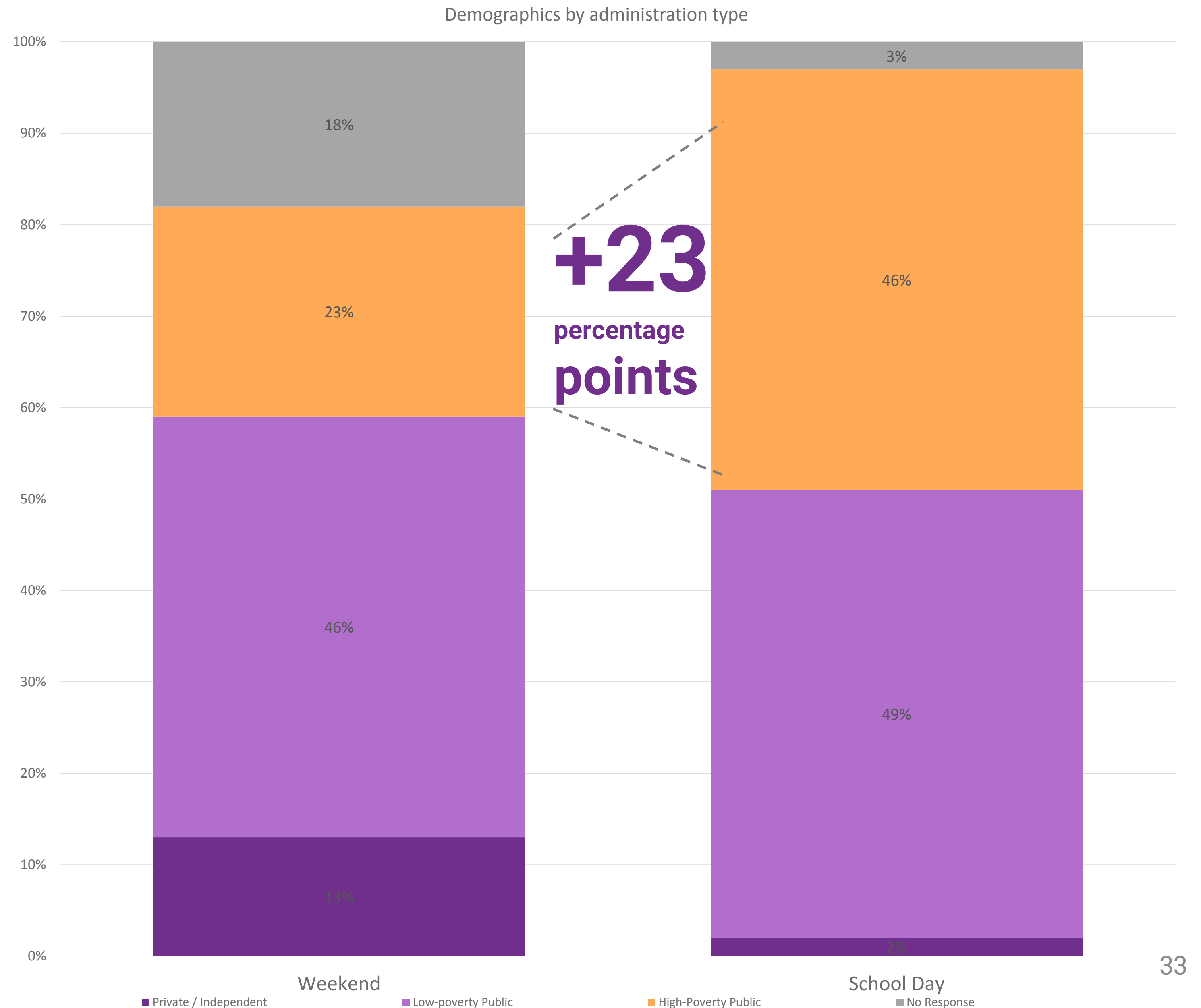
Test-Taker Differences

SAT School Day students are much more likely to identify as a student from an underrepresented group



School Differences

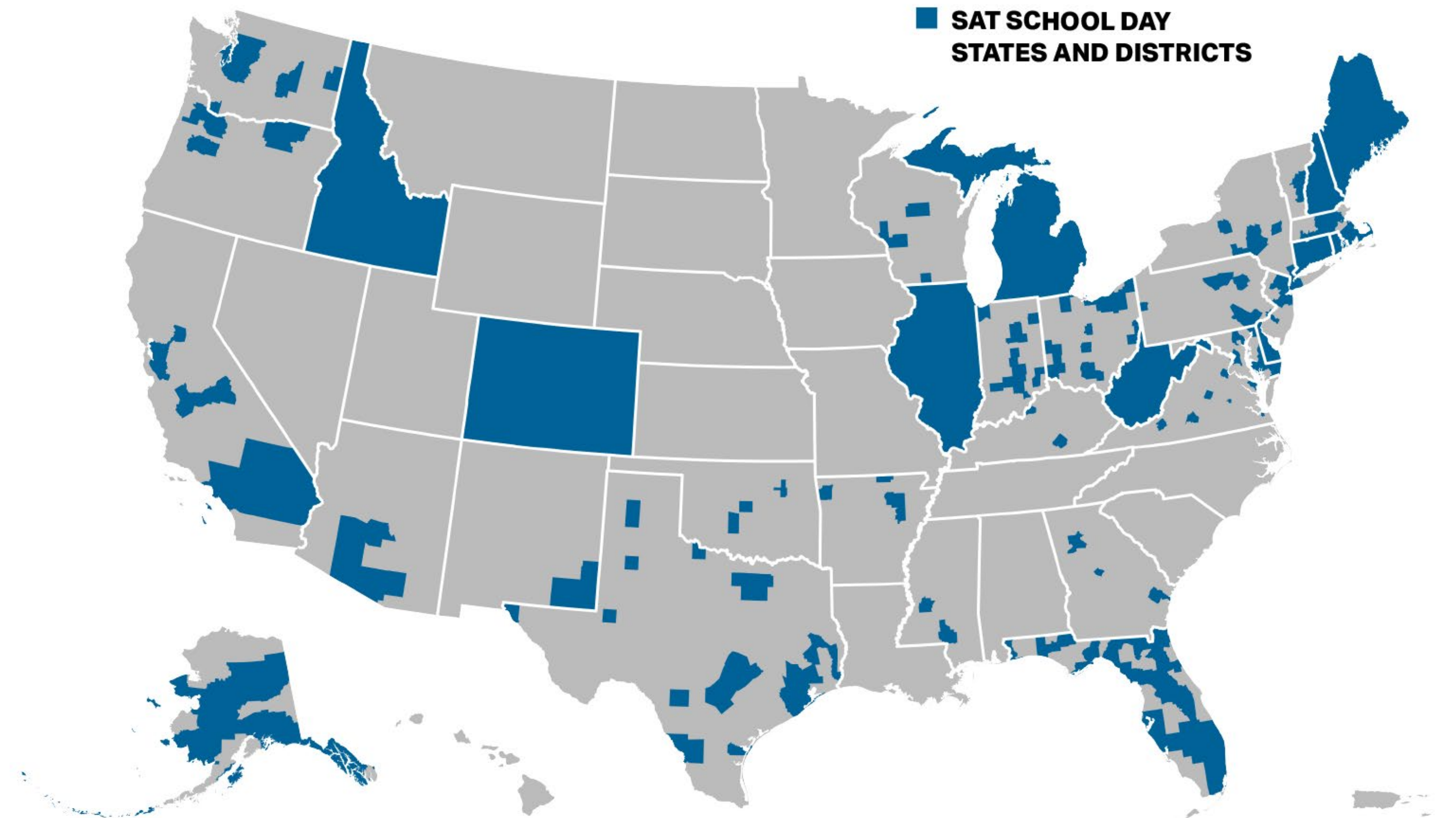
SAT School Day students are much more likely to come from schools with fewer resources.



SAT School Day: States & Districts

One Day Makes a Difference

- 3 states and D.C. in 2014-15
- 10 states and D.C. in 2017-18
- Starting in 2017-2018, open to any school that wants to order SAT School Day
- For Higher Education: Expanded opportunity signals more students preparing for college admission.

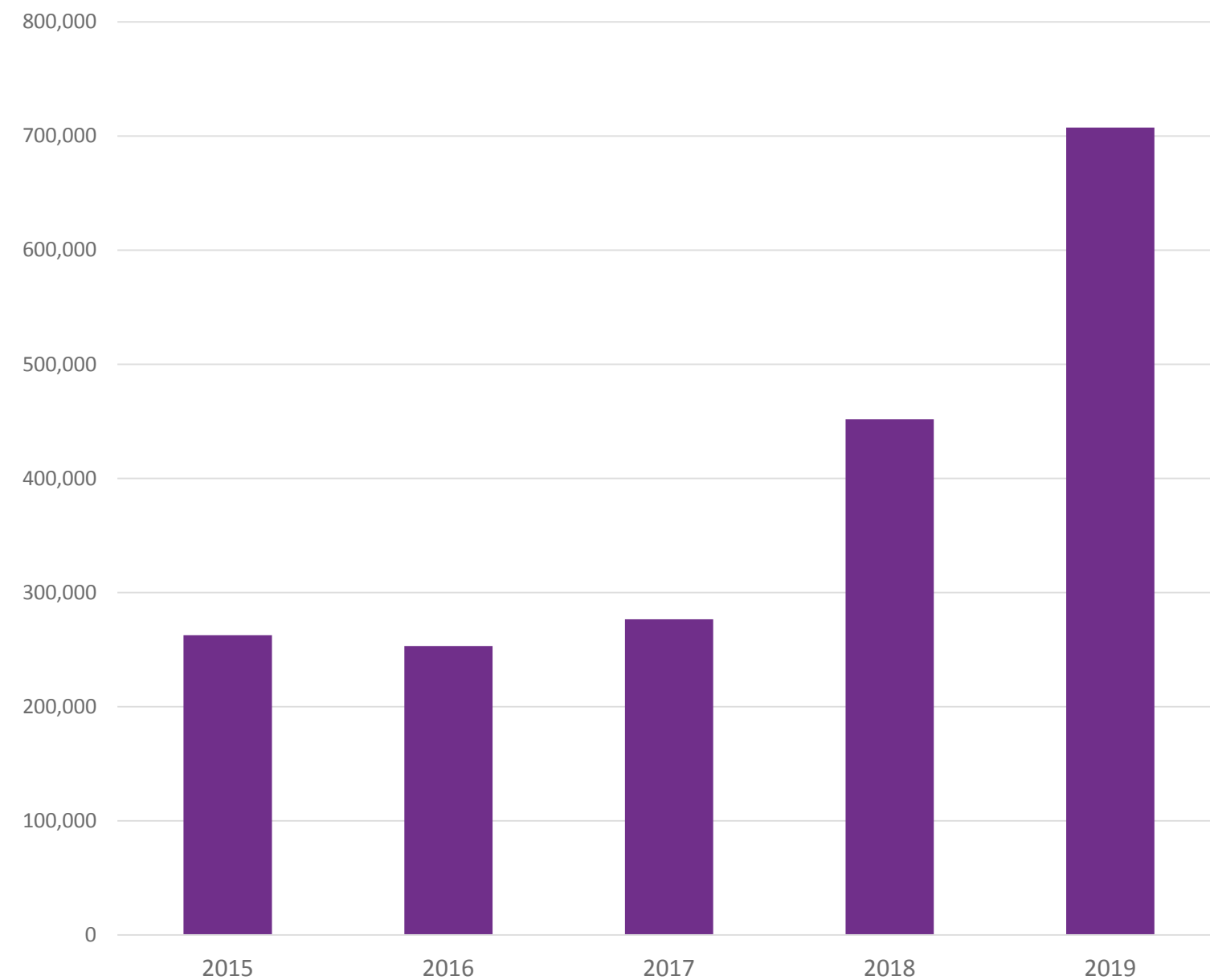


Score-Sending Behavior

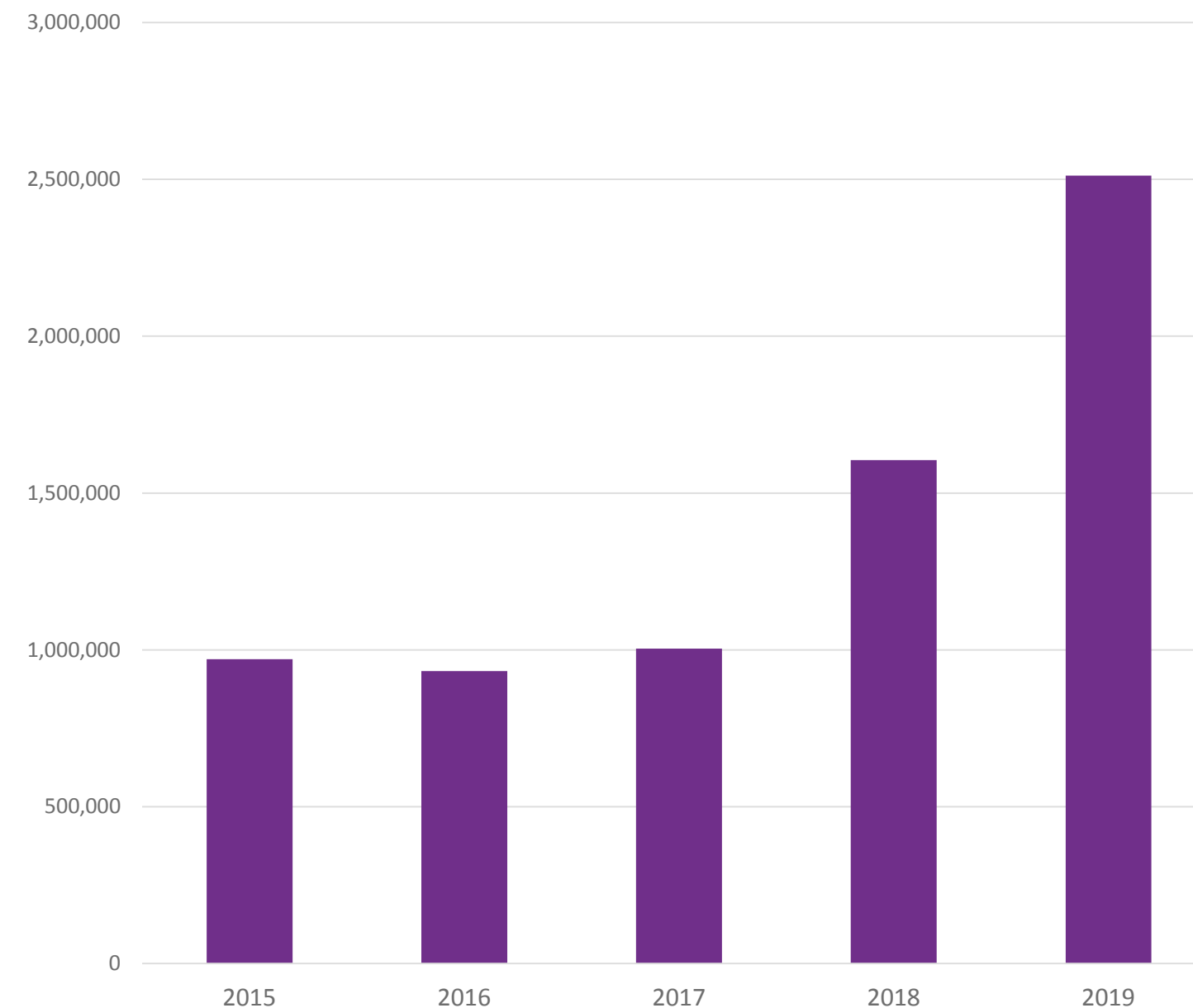
SAT School Day answer sheet and unlimited free score sends for low income students increase number and breadth of sends

- Prior to senior year...
 - ✓ More students sending
 - ✓ More score reports sent
 - ✓ More colleges receiving scores

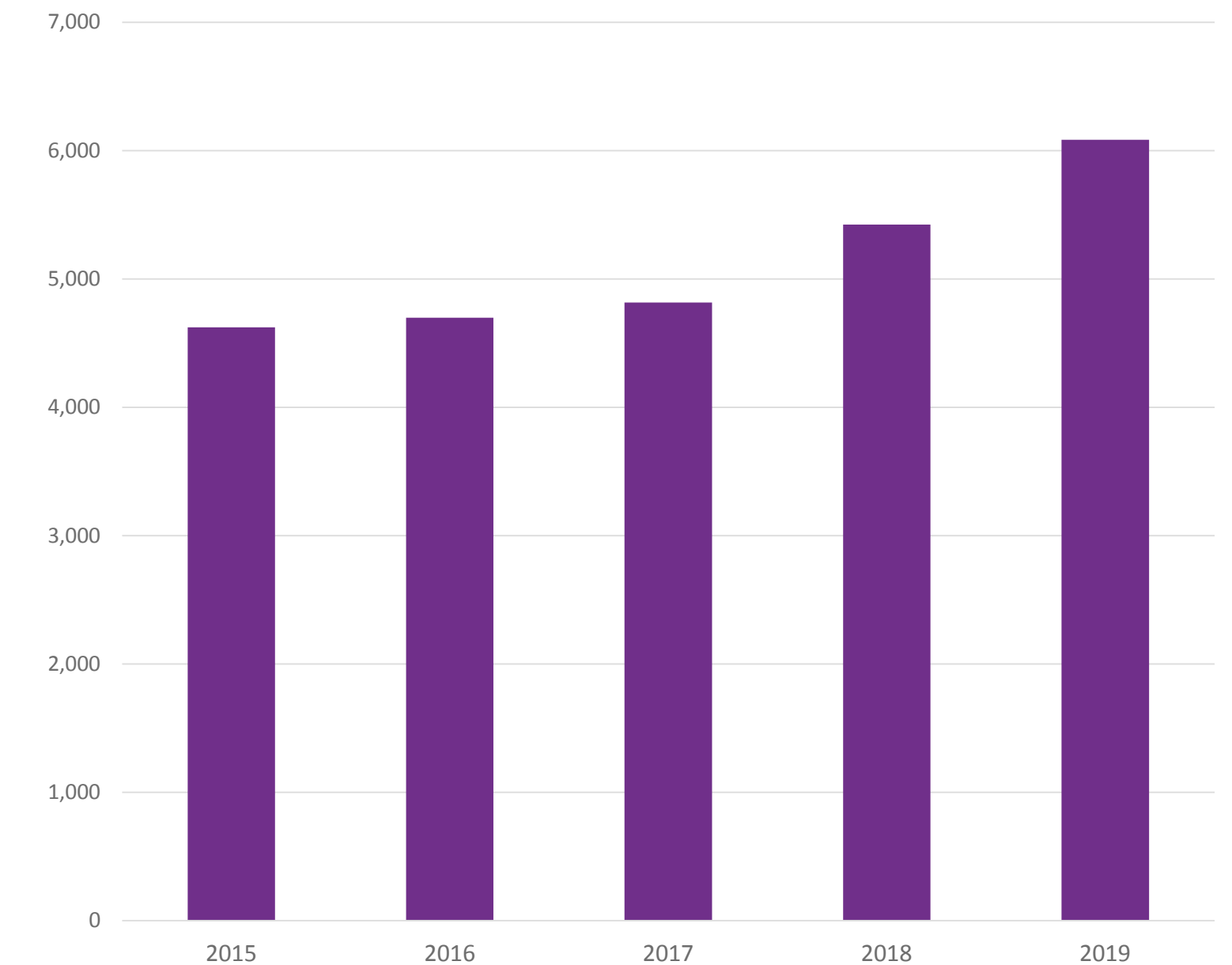
Students (up 57% YOY)



Scores (up 57% YOY)



Colleges (up 12% YOY)



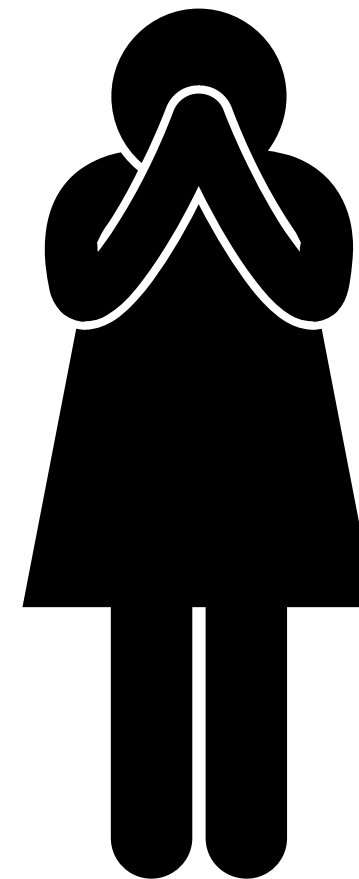
Grawe: Possible responses can be grouped roughly under three broad descriptions

- **The Hard-Nosed Approach**



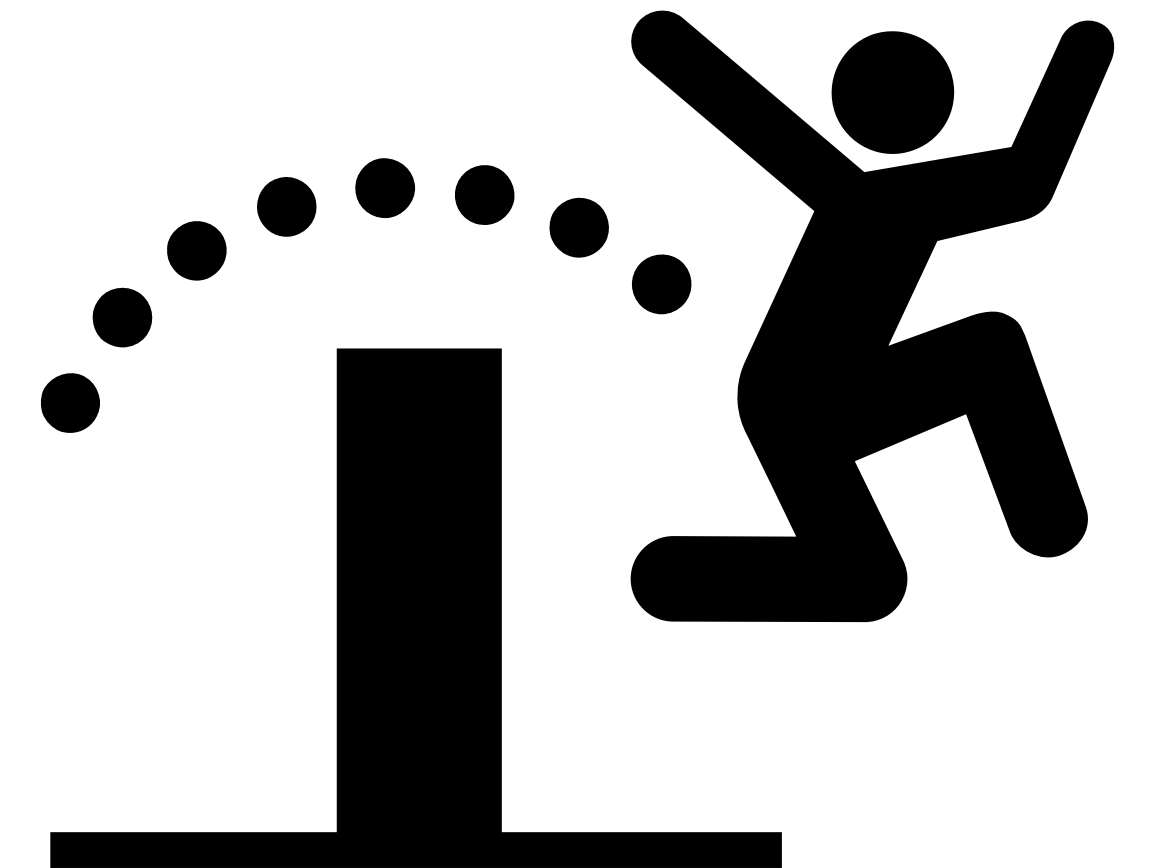
Increasing revenue and/or cutting costs

- **The Hopeful Approach**



Looking for policies that increase attendance rates above those assumed in the model

- **The Nimble Approach**



Seeks ways to beat the odds by carefully adjusting recruitment efforts to auspicious new student pools

What does all this mean?

College participation rates are likely to change

- Presence of first-generation students increasing

The mix of student characteristics will continue to change

- Racial and ethnic composition - Students of color will represent a far greater portion of college bound students, and nearly 50% of that growth will be among Hispanic students
- Immigration patterns – what will happen?
- Geographic origin

Demand for affordable college options will grow

- Average family income is going down – need for financial aid support will increase

Challenges and Opportunities for Higher Education

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- Increasing or decreasing # of applicants & enrollees?
 - Recruiting practices - targeted, broad-brush or both?
 - Reaching out to growth states
 - Transfer articulation agreements
 - Are approaches consistent with values of new populations?
 - More emphasis on families; personal, multi-lingual – publications and media need to be geared to this “new” population of students
 - Early outreach about affordability and fit/tentative aid awards
 - Retention
 - Are faculty prepared to teach “new students?”
 - Budgetary and institutional dollars implications
 - Campus cultural shifts
 - Increased demands on institutional funds - creative solutions – look for new revenue streams?

Questions?

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