

**Trends in Higher Education Series**

# Trends in College Pricing 2010

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# Highlights

## PUBLISHED TUITION AND FEE AND ROOM AND BOARD CHARGES

Over the decade from 2000-01 to 2010-11, published tuition and fees at public four-year colleges and universities increased at an average rate of 5.6% per year beyond the rate of general inflation. This growth rate led the price to increase from 22% of the average tuition and fees at private nonprofit four-year institutions to 28% over the decade.

- Published charges do not reflect the prices most students pay. About one-third of full-time students pay without the assistance of grant aid, and some of these students receive federal tax credits and deductions to help cover expenses.
- Published in-state tuition and fees at public four-year institutions average \$7,605 in 2010-11, \$555 (7.9%) higher than in 2009-10. Average total charges, including tuition and fees and room and board, are \$16,140, up 6.1%.
- Published out-of-state tuition and fees at public four-year colleges and universities average \$19,595, \$1,111 (6.0%) higher than in 2009-10. Average total charges are \$28,130, up 5.6%.
- Published tuition and fees at public two-year colleges average \$2,713, \$155 (6.0%) higher than in 2009-10.
- Published tuition and fees at private nonprofit four-year colleges and universities average \$27,293 in 2010-11, \$1,164 (4.5%) higher than in 2009-10. Average total charges, including tuition and fees and room and board, are \$36,993, up 4.3%.
- Estimated published tuition and fees at private for-profit institutions average \$13,935, \$679 (5.1%) higher than in 2009-10.
- All students, whether they live in campus housing or not, must buy books and supplies and pay for food, housing, and other living expenses while in school. They would face many similar expenses if they were not in school, but would be able to devote more time to the labor force.

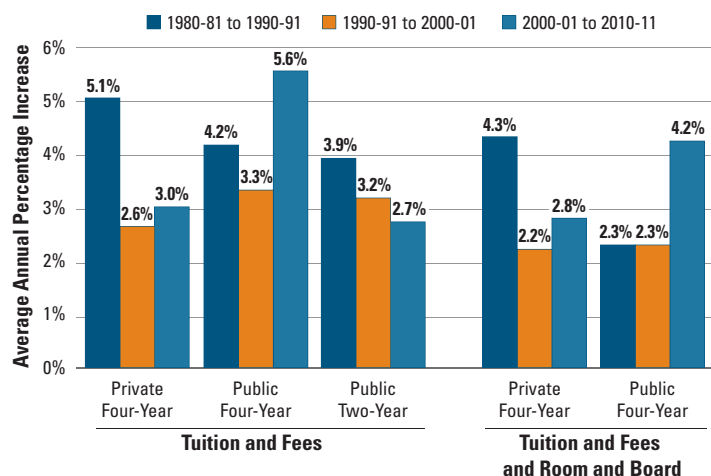
## VARIATION IN TUITION AND FEES

Half of all full-time public and private nonprofit four-year college students attend institutions charging tuition and fees less than \$9,418 and half attend institutions with higher published prices.

- In 2010-11, published in-state tuition and fees at public doctoral universities are \$8,503, compared to \$6,588 at public master's universities and \$6,224 at public bachelor's colleges.
- Although the average increase in tuition and fees at public four-year colleges in 2010-11 was 7.9% for in-state students and 6.0% for out-of-state students, 19% of full-time students at public four-year colleges and universities attend institutions that increased their published prices by 12% or more, and 13% attend institutions that increased their prices by less than 3%.
- In 2010-11, average published tuition and fees for public four-year colleges range from \$6,428 in the South to \$9,857 in New England. Average published tuition and fees for public two-year colleges range from \$1,594 in the West to \$4,221 in New England.

### AVERAGE ANNUAL PERCENTAGE INCREASES

in Inflation-Adjusted Published Prices by Decade, 1980-81 to 2010-11



## WHAT STUDENTS ACTUALLY PAY

Although average published tuition and fees increased by about 24% at public four-year colleges and universities from 2005-06 to 2010-11, by 17% at private nonprofit four-year institutions, and by 11% at public two-year colleges, average net price for full-time students, after considering grant aid and federal tax benefits, declined in each sector over this five-year period, after adjusting for inflation.

- As documented in *Trends in Student Aid 2010*, total grant aid per full-time equivalent (FTE) undergraduate student increased by about \$1,100 (22%) in 2009-10, largely because of increases in federal Pell Grants and Veterans' Benefits.
- When room and board costs are also considered, total net cost of attendance is about \$600 higher in inflation-adjusted dollars at public four-year colleges than it was in 2005-06, but it has not increased at private nonprofit four-year or public two-year institutions.
- In 2010-11, full-time students receive an estimated average of about \$6,100 in grant aid from all sources and federal tax benefits at public four-year institutions, \$16,000 at private nonprofit institutions, and \$3,400 at public two-year colleges.
- As a result of the grant aid they receive, the additional tuition lower-income students pay to attend a high-price private nonprofit college is significantly smaller than the price increment for students from higher-income families. Because of the role of grant aid, net tuition and fee prices are lower for many students attending private nonprofit institutions with higher published prices than for students attending for-profit institutions.
- On average, grant aid covered the entire tuition and fees for low-income dependent students enrolled in both public two-year and in-state public four-year institutions in 2007-08, with about \$1,250 for two-year and \$1,720 for four-year students left over to put toward other college-related expenses.

## COLLEGE AFFORDABILITY

In 2009, average income was 11% lower than it had been a decade earlier for the bottom 20% of families, 5% lower for the middle 20%, and the same as a decade earlier for the top 20%.

- In 2009, median family income for those with a bachelor's degree or more was \$99,707, compared to \$48,637 for those with a high school diploma.

## INSTITUTIONAL FINANCES

In 2009-10, appropriations per FTE student averaged 19% lower than a decade earlier, after adjusting for inflation.

- State appropriations per FTE student declined by 9% in 2008-09 and by another 5% in 2009-10. Federal stimulus funds accounted for 3% of these state appropriations in 2008-09 and 5% in 2009-10.
- Average state appropriations per \$1,000 of personal income declined from \$9.70 in 1989-90 to \$6.60 in 2009-10. Excluding the federal stimulus funds provided to states, the state funding for higher education was \$6.30 per \$1,000 in personal income in 2009-10.
- In 2008, the average cost of educating a full-time student ranged from \$34,330 at private doctoral universities to \$10,400 at public two-year colleges.

## ENROLLMENT PATTERNS

From fall 2000 to fall 2009, the percentage of all full-time students enrolled in for-profit institutions increased from 4% to 10%. The percentage of part-time students enrolled in this sector increased from 1% to 6%.

- The percentage of all bachelor's degrees awarded that came from the for-profit sector increased from 1% in 1997-98 to 5% in 2007-08. The percentage of associate degrees that were from this sector increased from 10% to 17% over this time period.
- Thirty-six percent of all undergraduate students enrolled in degree-granting programs in fall 2008 attended public four-year institutions, and 41% attended public two-year colleges.

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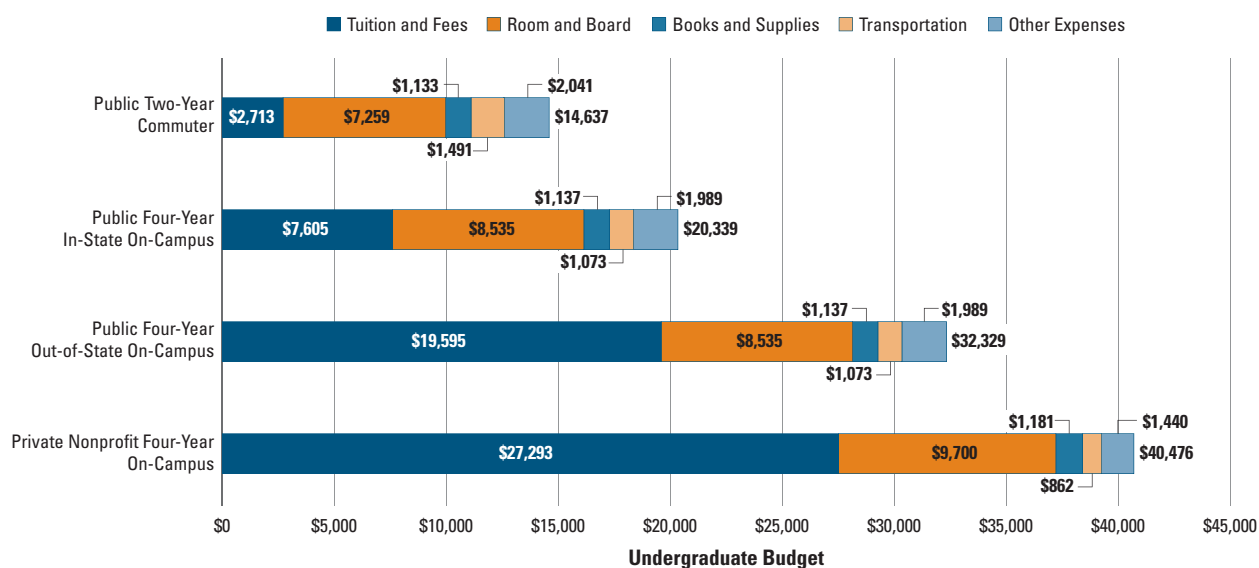
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Tuition and fees constitute about 37% of the total budget for in-state students living on campus at public four-year colleges and universities and less than 20% of the budget for public two-year college students who pay for off-campus housing.

**FIGURE 1** Average Estimated Undergraduate Budgets, 2010-11 (Enrollment-Weighted)



NOTE: Expense categories are based on institutional budgets for students as reported by colleges and universities in the *Annual Survey of Colleges*. They do not necessarily reflect actual student expenditures.

SOURCE: The College Board, *Annual Survey of Colleges*.

# Introduction

The recession has pushed large numbers of people who would otherwise be working full-time at secure jobs into postsecondary education. Some are going to college for the first time, some are returning to complete credentials they began years ago, and some are seeking training for new careers. Colleges and universities are attempting to cut their budgets to fit the constraints of decreased revenues from state appropriations and from endowments and annual giving. Many are finding it necessary to increase their financial aid budgets in order to make it possible for students and families facing financial hardships to pay the bills.

*Trends in College Pricing 2010* describes the unwelcome increases in published college prices these circumstances have generated and adds the more encouraging information about how much students actually pay after considering increases in available grant aid. The report, published annually since 1998 by the College Board, also includes data on the wide variation in college prices, changing enrollment patterns, and institutional revenues and expenditures.

A thorough understanding of the forces affecting prices would require better data than those currently available on the expenditure patterns of colleges and universities over time, as well as careful empirical analysis of all of the contributing forces. It is clear that the efficiency of campus operations, the level of governmental and philanthropic support, the prices of the goods and services educational institutions purchase, the nature and extent of the services and facilities provided, the academic preparation of the students who enroll, the level of demand for particular institutions, and competition among institutions all contribute to the rate of price increase. If college education is to become more affordable for more students, institutions will have to find ways to offer high-quality higher education in a more cost-effective manner. State and federal governments will have to improve their systems for supporting both postsecondary institutions and the students they educate. The data provided in *Trends in College Pricing* can inform policymakers, researchers, and others in their analyses of these issues.

The companion publication, *Trends in Student Aid*, contains detailed information about the financial aid that helps students and families to pay these prices. The website that accompanies the two publications makes data easily available for reference and downloading. The text that accompanies the graphs and tables in *Trends in College Pricing* does not summarize all of the information reported, but points to key ideas and should help readers to interpret the data.

## PUBLISHED PRICES

The published prices on which the analysis in *Trends in College Pricing* is based come from data reported by institutions on the College Board's *Annual Survey of Colleges*. This survey, which is distributed to about 3,500 postsecondary institutions across the country, collects a wealth of data on enrollment, admissions, degrees and majors, tuition, financial aid, and other aspects of undergraduate education.

The prices reported here are averages for one year of full-time enrollment. About 37% of all undergraduates and about 60% of those attending public two-year colleges are enrolled part-time. Because of the variety of enrollment and pricing patterns, it is not possible to provide estimates of the charges facing these students that would be as accurate as the information we provide about full-time students. Data on full-time charges provide the best basis for comparison both over time and across sectors.

The prices included in *Trends* represent best estimates of average prices for all full-time undergraduate students. However, a growing number of institutions charge different prices for different years and/or for different programs of study. We are able to incorporate differences in prices by year of study reported to us by individual institutions, but not differences by programs. Another complexity that has developed in recent years concerns the division of institutions into the public two-year and public four-year sectors. More and more two-year colleges are offering a small number of four-year degrees or providing course work that leads to four-year degrees awarded on other campuses. While we make every effort to adjust our methodology to accommodate these changes, it is impossible to draw precise lines and to develop exact measures in all cases.

*Trends in College Pricing 2010* presents detailed data on public two-year and four-year and private nonprofit four-year institutions for the 2010-11 academic year. Comparable information about the growing for-profit sector of postsecondary education, which enrolls about 10% of all full-time students, is not available. We do provide an estimate of the average charges at for-profit institutions, but because of the relatively small sample of those institutions from which we are able to collect data, it is important to interpret that information with extreme caution.

Finally, in interpreting college prices, it is important to remember that *Trends in College Pricing* reports on the price of one year of college. Many students require more than two years



of study to earn an associate degree or more than four years of study to earn a bachelor's degree. It is critical to consider the total price for all years of study in thinking about what is required to pay for college. There is considerable variation across sectors as well as among institutions within sectors in both average time to degree and overall graduation rates.

## **TUITION AND FEES VERSUS TOTAL CHARGES**

Some of the graphs in this report focus only on tuition and fee charges, but we also report room and board charges for residential students, living costs for commuter students, and other components of student budgets. Because tuition and fees are relevant for all enrolled students, they are easiest to compare. However, whether students live on or off campus, they all must also pay for housing and food, buy books and supplies, and cover transportation and other basic living costs.

While some students are able to live with family, and not all living costs are attributable to attending school, the cost of living poses a significant hurdle for many students. Even those who receive grant aid sufficient to cover tuition and fee charges may struggle to cover living expenses. It is not so much the prices charged by institutions, but the very real costs they incur to support themselves and their families while in school that create the burden for these students. It is also important to remember that for many students, the largest component of the cost of being a student is actually the result of devoting time to schooling rather than to the labor market. Forgone earnings are not addressed in this report.

## **NET PRICES: WHAT STUDENTS ACTUALLY PAY**

Although it is generally the published prices that make headlines, it is the net prices paid by individual students that matter most for college access and affordability. The reality is that because of increases in grant aid and tax benefits, average net tuition and fee prices are lower in 2010-11 than they were five years earlier, after adjusting for inflation.

The definition of net price on which we rely is the average price paid by all full-time students — including those who do and do not receive student aid — after subtracting grant aid from all sources in addition to federal tax credits and deductions. Data on prices from the *Annual Survey of Colleges* and on student aid from *Trends in Student Aid* allow us to generate new, updated estimates for average net prices by sector each year. Data from the *National Postsecondary Student Aid Study*, released every four years, allow us to estimate net prices for students at different income levels. This year we include analyses of net college prices based on both sources.

## **HOW COLLEGE PRICES ARE CHANGING**

The data in this report confirm the widespread perception that published college prices are rising more rapidly than the prices of other goods and services. This is not a new phenomenon, but one that has persisted over the entire 30-year period documented here. Annual percentage increases in tuition and fees consistently receive most of the attention, but a number of other aspects of college pricing have a greater impact on access and affordability.

In considering the impact of price increases, it is accumulated patterns, not one-year changes, that determine current charges. Relatively low prices may rise rapidly in percentage terms without causing significant difficulties, while even freezing high prices does not put them within reach of the typical student. Current prices and dollar increases, not percentage increases, best measure the impact on students and families.

Average net tuition and fee prices have declined in constant dollars in all sectors in recent years as a result of increases in grant aid. An unprecedented increase in the federal Pell grant program for low- and moderate-income students in 2009-10 led to a decline in net price for 2009-10, despite relatively large increases in published prices. The 2010-11 increases in published prices at public colleges and universities are not matched this year by comparable aid increases. Nonetheless, average net tuition and fees remain lower in inflation-adjusted dollars than they were five years ago. This may seem counterintuitive to many people facing these prices.

A number of factors contribute to this apparent inconsistency between reality and perception. First, about one-third of full-time students pay the full published tuition price with no grant assistance. The prices these students pay have increased very rapidly. For example, students receiving neither grants nor tax benefits are paying an average of 7.9% more in tuition and fees at public four-year colleges this year than they paid last year. In addition, the nontuition expenses associated with going to college continue to rise and grant aid is rarely sufficient to meet those costs. Total net charges at public four-year colleges and universities, including room and board in addition to tuition and fees, are about \$600 higher, after adjusting for inflation, than they were five years ago. Another very significant issue is that incomes have declined for many families and stagnated for others, and the assets many families have saved to pay for college have diminished in value.

Neither changes in average published prices nor changes in average net prices necessarily describe the circumstances facing individual students. There is considerable variation in prices across sectors and across states and regions as well as among institutions within these categories. College students in the



United States have a wide variety of educational institutions from which to choose and these come with many different price tags. Moreover, different students pay different prices at the same institution. One of the problems many students face is how to make sense of all the options and complex pricing structures.

The scenario is even more complicated because of the wide variety of student aid programs and policies and because of changes over time in the distribution of student aid among students. A decline in the average net price at public four-year colleges in a particular state or at an individual private institution should make education more affordable. But if at the same time grant aid migrates from low- and moderate-income students to wealthier student-athletes or merit scholars who have less financial need, more students will actually struggle to pay for college.

Total postsecondary enrollment increased by about 18% between 2004-05 and 2009-10. Full-time enrollment increased more rapidly than part-time enrollment. The largest increases have been in public two-year and for-profit institutions. The fact that students are finding ways to finance their education is certainly largely explained by the understanding that more education generally leads to higher earnings throughout life. Despite rising enrollments and despite the role of grant aid in moderating growth in net prices, the current path of increases in published college prices is not likely to be sustainable.

## THE CONSUMER PRICE INDEX

We provide much of our data in constant dollars, adjusting values for changes in the Consumer Price Index (CPI). We use the change in the CPI from July 2009 to July 2010 to compare the price level for academic year 2010-11 to earlier prices. (Because *Trends in College Pricing* publishes data in fall 2010 for the current academic year, we must rely on the change in the price level in the year preceding the beginning of the term.)

While the CPI adjustment is necessary to make meaningful comparisons of values over long periods of time, comparisons of one-year changes in constant dollars may be confusing. Large fluctuations in energy prices have led to an unusually volatile CPI recently. The 5.6% increase in the CPI from July 2007 to July 2008 was the highest annual inflation rate since 1982. As a result, constant dollar increases for 2008 were small relative to current dollar increases. Between July 2008 and July 2009, the CPI declined by 2.1%, which resulted in constant dollar increases that were larger than current dollar increases. Between July 2009 and July 2010, the CPI increased by 1.2%.

## A NOTE ON TRENDS DATA

While the information reported here provides a best approximation of trends in college charges over time, we would caution readers about placing too much reliance on either precise dollar amounts or precise annual percentage changes. Each year we revise the average prices calculated the previous year to account for corrected data we receive from institutions and to provide an enrollment-weighted average based on the most recent available data on the number of full-time students attending each institution. If, over time, increasing numbers of students were to choose to enroll in the lower-priced institutions within a sector, our measure of the average price increase would be lower than if enrollment were stable. Details relating to our methodology and to other technical issues and data reliability can be found at the end of the report, in the Notes and Sources Section.

*The tables supporting all of the graphs in the Trends publications, PDF versions of the publications, PowerPoint files containing individual slides for all of the graphs, and other detailed data on student aid and college pricing are available on our website at <http://trends.collegeboard.org>. Please feel free to cite or reproduce the data in Trends for noncommercial purposes with proper attribution.*

# Tuition and Fee and Room and Board Charges, 2010-11

For the 2010-11 academic year, average tuition and fees range from \$2,713 per year at public two-year colleges and \$6,224 at public bachelor's colleges to \$33,679 at private doctoral universities.

- In both the public and private nonprofit sectors, the 2010-11 average tuition and fee charges at bachelor's colleges are 27% lower than the average charges at doctoral universities.
- Community college prices in California, where 16% of full-time students in the sector are enrolled, are unusually low. The average price of public two-year colleges outside of California is \$3,076.
- About 12% of full-time public four-year college students study out-of-state, but many states have reciprocity agreements with neighboring states that allow students to pay less than the published prices.
- Some colleges and universities charge different prices depending on year of study. These different prices are incorporated into the averages reported here when available.
- A growing number of universities charge different prices depending on program of study. This price variation is not fully captured in the figures reported here.
- Not all institutions can be unambiguously classified as two-year or four-year. At institutions classified here as four-year, at least 25% of undergraduate degrees awarded are bachelor's degrees.

## ALSO IMPORTANT:

- The prices cited here are not representative of the prices students actually pay. Almost two-thirds of undergraduate students enrolled full-time receive grants that reduce the actual price of college. In addition, many states and institutions grant tuition waivers to groups of students such as dependents of employees, veterans, or teachers. See Figures 7, 8A, 8B, 9A, and 9B for estimates of net prices paid by students and *Trends in Student Aid 2010* for details about student aid.
- The total price of a college education depends on the number of terms of study for which a student is enrolled before completing a degree. Many students spend more than four years earning a bachelor's degree. Average time to degree is longer in public than in private nonprofit colleges.
- Part-time students pay lower tuition and fees than those reported here. In fall 2008, 61% of students enrolled in public two-year colleges were part-time, as were 22% of undergraduates in public four-year, 17% in private nonprofit four-year, and 21% in for-profit institutions. (National Center for Education Statistics [NCES], unpublished data)

**TABLE 1A** Average Published Charges for Undergraduates by Type and Control of Institution, 2010-11 (Enrollment-Weighted)

Sector	Tuition and Fees				Room and Board				Total Charges			
	2010-11	2009-10	\$ Change	% Change	2010-11	2009-10	\$ Change	% Change	2010-11	2009-10	\$ Change	% Change
Public Two-Year	\$2,713	\$2,558	\$155	6.0%	—	—	—	—	—	—	—	—
Public Four-Year In-State	\$7,605	\$7,050	\$555	7.9%	\$8,535	\$8,162	\$373	4.6%	\$16,140	\$15,212	\$928	6.1%
Public Four-Year Out-of-State	\$19,595	\$18,484	\$1,111	6.0%	\$8,535	\$8,162	\$373	4.6%	\$28,130	\$26,646	\$1,484	5.6%
Private Nonprofit Four-Year	\$27,293	\$26,129	\$1,164	4.5%	\$9,700	\$9,335	\$365	3.9%	\$36,993	\$35,464	\$1,529	4.3%
For-Profit	\$13,935	\$13,256	\$679	5.1%	—	—	—	—	—	—	—	—

— Sample too small to provide meaningful information.

**TABLE 1B** Average Published Charges for Undergraduates by Carnegie Classification, 2010-11 (Enrollment-Weighted)

Sector	Tuition and Fees				Room and Board				Total Charges			
	2010-11	2009-10	\$ Change	% Change	2010-11	2009-10	\$ Change	% Change	2010-11	2009-10	\$ Change	% Change
Public Doctoral In-State	\$8,503	\$7,811	\$692	8.9%	\$8,998	\$8,596	\$402	4.7%	\$17,501	\$16,407	\$1,094	6.7%
Public Master's In-State	\$6,588	\$6,187	\$401	6.5%	\$7,822	\$7,497	\$325	4.3%	\$14,410	\$13,684	\$726	5.3%
Public Bachelor's In-State	\$6,224	\$5,883	\$341	5.8%	\$7,935	\$7,583	\$352	4.6%	\$14,159	\$13,466	\$693	5.1%
Private Doctoral	\$33,679	\$32,291	\$1,388	4.3%	\$11,306	\$10,920	\$386	3.5%	\$44,985	\$43,211	\$1,774	4.1%
Private Master's	\$24,438	\$23,353	\$1,085	4.6%	\$9,284	\$8,947	\$337	3.8%	\$33,722	\$32,300	\$1,422	4.4%
Private Bachelor's	\$24,555	\$23,523	\$1,032	4.4%	\$8,846	\$8,483	\$363	4.3%	\$33,401	\$32,006	\$1,395	4.4%

NOTE: Prices reported for 2009-10 have been revised and may differ from those reported in *Trends in College Pricing 2009*. See Notes and Sources on P. 30 for definitions of the institutional categories in Table 1B.

SOURCE: The College Board, *Annual Survey of Colleges*.

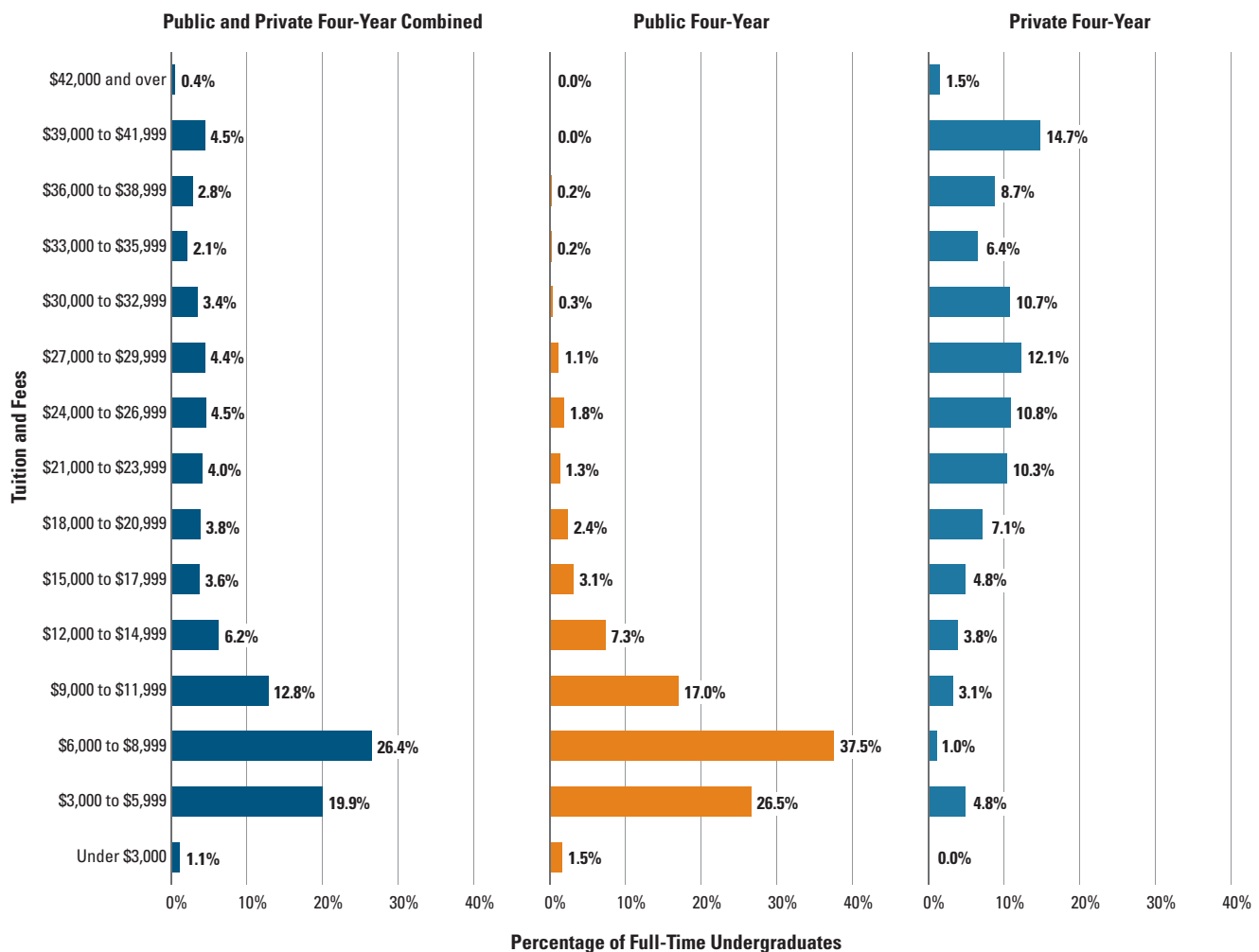
*Enrollment-weighted tuition and fees are derived by weighting the price charged by each institution by the number of full-time students enrolled in fall 2009. Public four-year in-state charges are weighted by total fall 2009 full-time enrollment in each institution, including both in-state students and out-of-state students, who pay an additional nonresident charge. Out-of-state tuition and fees are computed by adding the average in-state price to the out-of-state premium weighted by the number of full-time out-of-state students enrolled at each institution. Room and board charges are weighted by the number of students residing on campus.*

# Variation in Tuition and Fees, 2010-11

Half of all full-time public and private nonprofit four-year college students attend institutions charging tuition and fees less than \$9,418 and half attend institutions with published prices higher than this level.

- The median full-time public four-year college student, including both in-state and out-of-state students, is enrolled at an institution with published tuition and fees of \$7,656, and the median student in the private nonprofit four-year sector faces published charges of \$28,224.
- About 25% of full-time private college students are enrolled in institutions charging \$36,000 or more. Only 8% of all public and private nonprofit four-year students are enrolled in these institutions.
- About 28% of full-time public four-year college students are enrolled in institutions charging less than \$6,000. About 5% of private college students are enrolled in institutions in this price range.

**FIGURE 2** Distribution of Full-Time Undergraduates at Four-Year Institutions by Published Tuition and Fees, 2010-11



NOTE: For out-of-state students enrolled in public four-year colleges, the nonresident premium has been added to in-state tuition and fees. Some out-of-state students actually pay lower prices because of reciprocity agreements, which allow students from neighboring states to pay less than the full out-of-state price. The distribution of students across institutions is based on the latest available enrollment data, which are for fall 2009. Percentages may not sum to 100 because of rounding.

SOURCE: The College Board, *Annual Survey of Colleges*.

# Variation in Tuition and Fee Increases, 2010-11

Although the average increase in tuition and fees at public four-year colleges in 2010-11 was 7.9% for in-state students and 6.0% for out-of-state students, 19% of full-time students at public four-year colleges and universities attend institutions that increased their published prices by 12% or more, and 13% attend institutions that increased their prices by less than 3%.

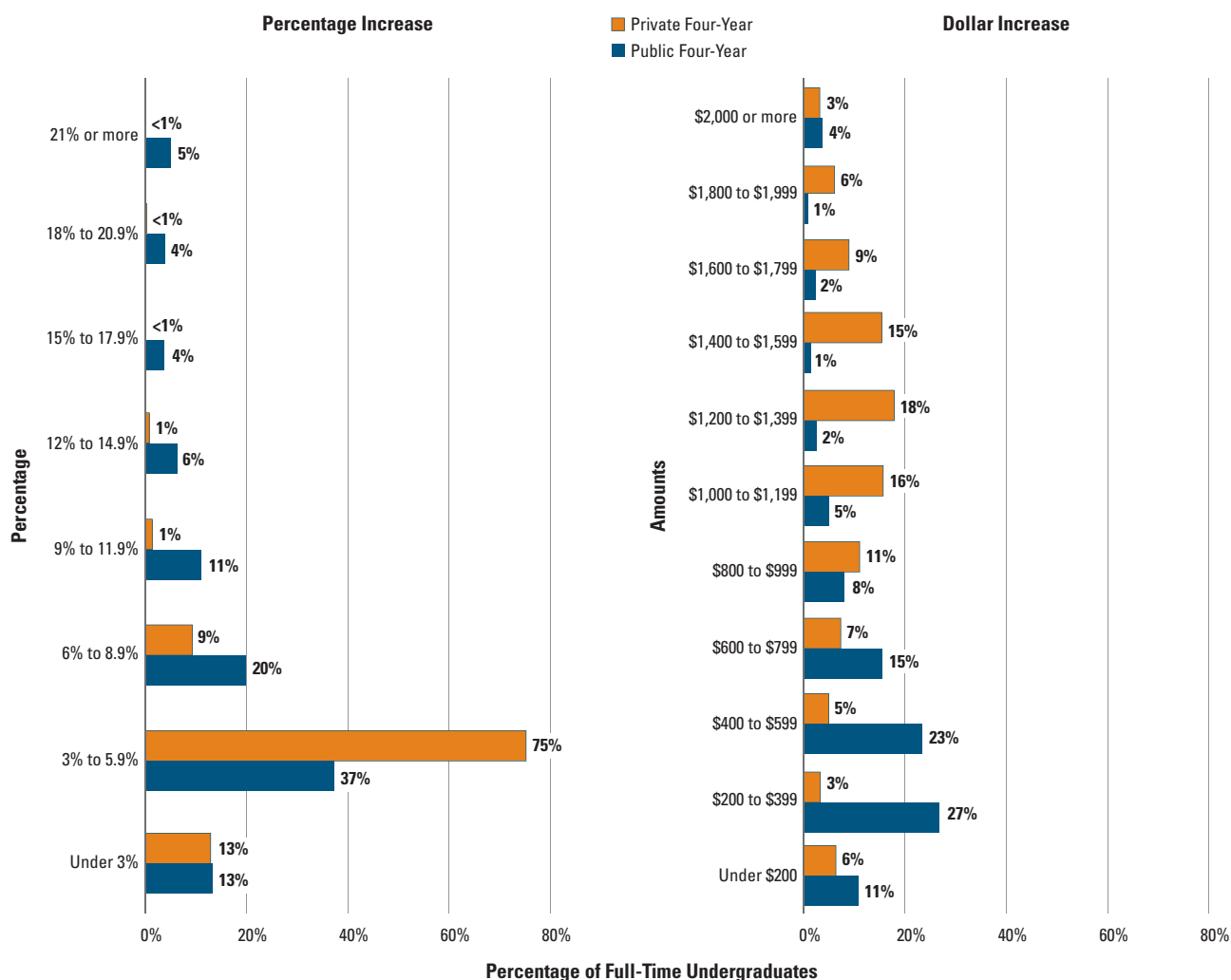
- The average increase in tuition and fees at private nonprofit four-year colleges in 2010-11 was 4.5% and three-quarters of the full-time students in this sector attend institutions that increased their charges by between 3% and 6%, but another 13% faced tuition increases below 3%.
- The median 2010-11 dollar increase in published tuition and fees for public four-year college students was \$490. The median dollar increase for private nonprofit students was \$1,210.

## ALSO IMPORTANT:

- Increases in published prices do not necessarily correspond to increases in the amounts students pay. The amounts students pay also depend on the amount of grant aid they receive.

**FIGURE 3**

Distribution of Full-Time Undergraduates at Public and Private Nonprofit Four-Year Institutions by Percentage and Dollar Increase in Published Tuition and Fees, 2010-11



NOTE: For out-of-state students enrolled in public four-year colleges, the nonresident premium has been added to in-state tuition and fees. Some out-of-state students actually pay lower prices because of reciprocity agreements, which allow students from neighboring states to pay less than the full out-of-state price. The distribution of students across institutions is based on the latest available enrollment data, which are for fall 2009. Percentages may not sum to 100 because of rounding.

SOURCE: The College Board, *Annual Survey of Colleges*.

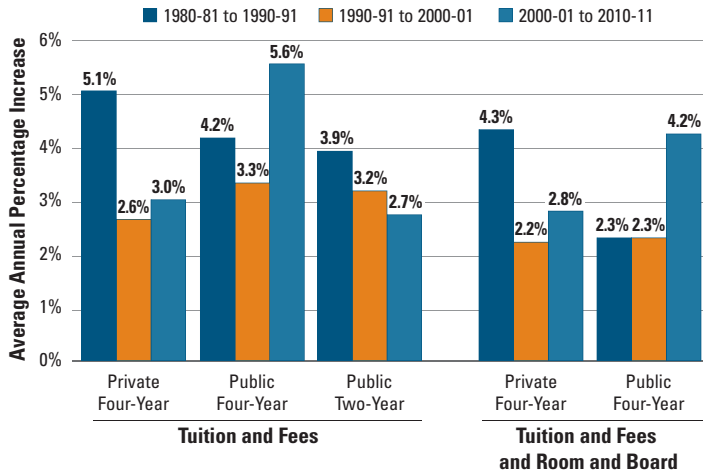
For detailed background data and additional information, please visit <http://trends.collegeboard.org>.

# Tuition and Fee and Room and Board Charges over Time

Over the decade from 2000-01 to 2010-11, published tuition and fees at public four-year colleges and universities increased at an average rate of 5.6% per year beyond the rate of general inflation.

**FIGURE 4**

Average Annual Percentage Increases in Inflation-Adjusted Published Prices by Decade, 1980-81 to 2010-11



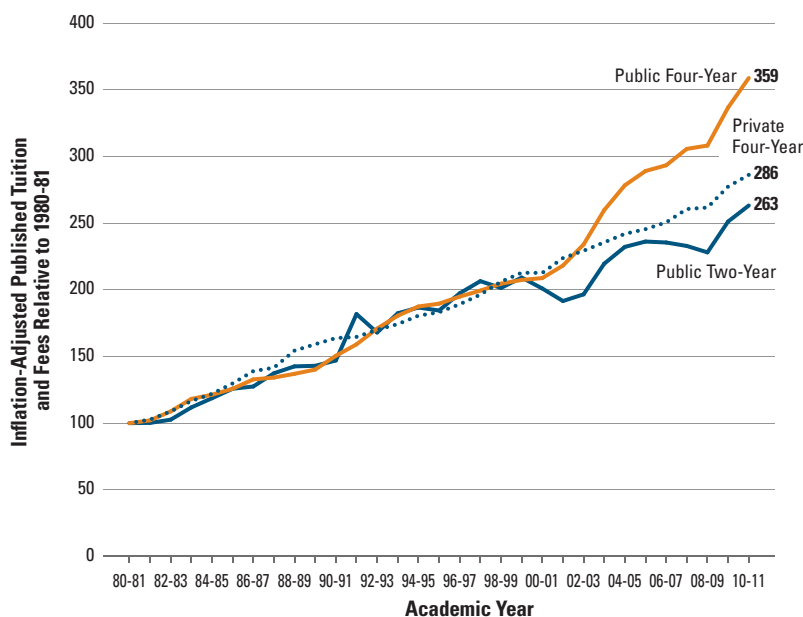
SOURCES: The College Board, *Annual Survey of Colleges*; NCES, *Integrated Postsecondary Education Data System (IPEDS)*.

- Over the most recent decade, the largest one-year increases in average published tuition and fees at public four-year colleges and universities were 11.0% beyond inflation in 2003-04 and 9.3% in 2009-10. The inflation-adjusted increase was under 1.0% in 2000-01 and 2008-09.
- From 1980-81 to 1990-91, average published tuition and fees increased more rapidly at private than at public four-year colleges and universities. Over the most recent decade, the average public sector price rose almost twice as fast as the average private sector price, increasing from 22% to 28% of the average tuition and fees at private nonprofit four-year institutions.

Each bar in Figure 4 shows the average annual rate of growth of published prices in inflation-adjusted dollars over a 10-year period. For example, from 2000-01 to 2010-11, average published tuition and fees at private four-year colleges rose by an average of 3.0% per year beyond increases in the Consumer Price Index.

**FIGURE 5**

Inflation-Adjusted Published Tuition and Fees, 1980-81 to 2010-11 (1980-81 = 100)



SOURCES: The College Board, *Annual Survey of Colleges*; NCES, *Integrated Postsecondary Education Data System (IPEDS)*.

Figure 5 shows published tuition and fees by sector, adjusted for inflation, as a percentage of 1980-81 published prices. For example, a value of 359 indicates that tuition and fees in 2010-11 are 3.59 times as high as they were in 1980-81, after adjusting for increases in the Consumer Price Index.

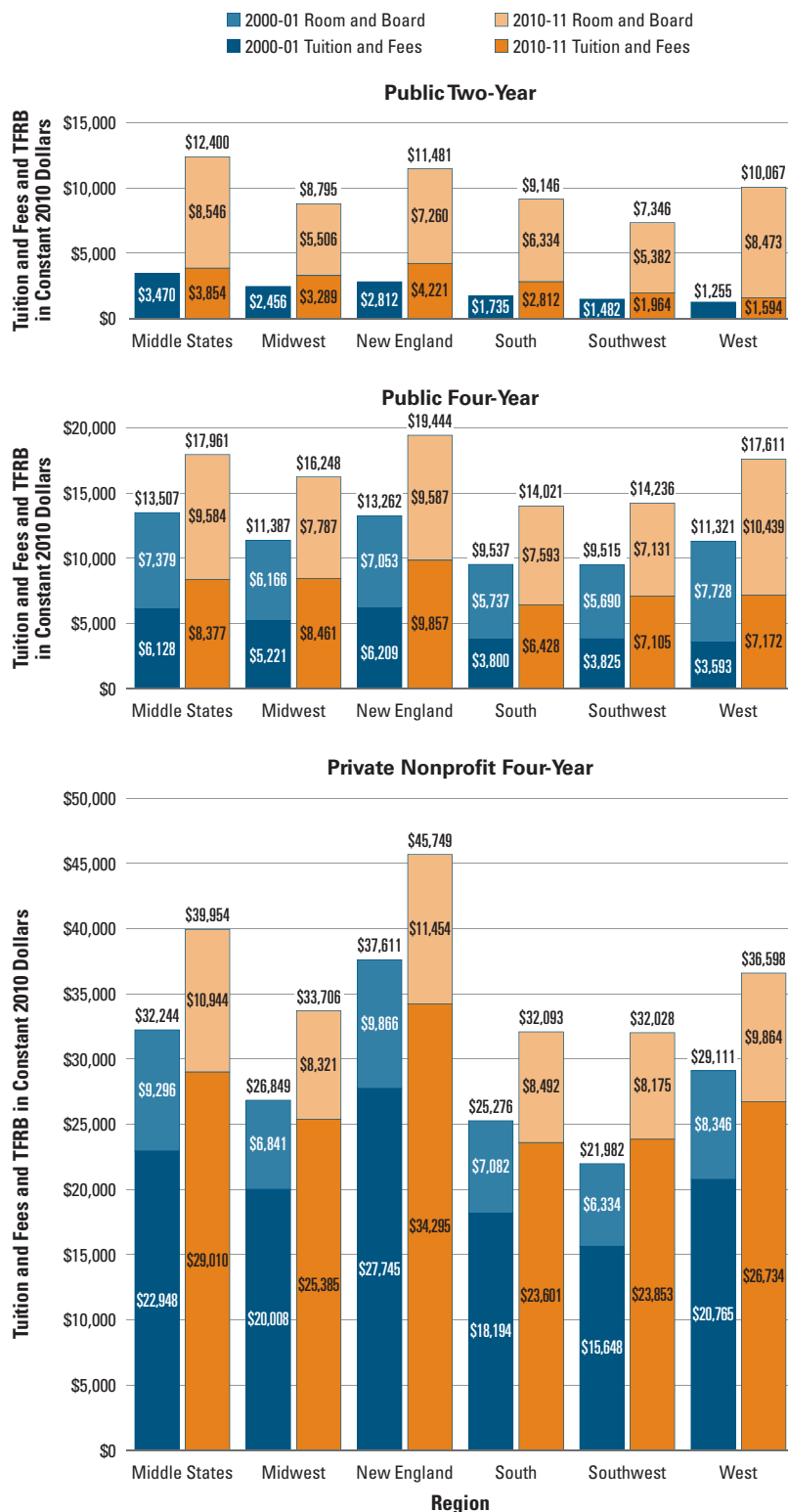
## ALSO IMPORTANT:

- Because of the year-to-year fluctuation in price increases, the year chosen as the beginning of the decade may make a large difference in the measured average annual rate of increase. For example, the public four-year rate of growth was 5.0% from 1999-2000 to 2009-10, significantly less than the rate reported here for the decade beginning one year later.
- About 40% of full-time dependent students enrolled in public four-year institutions live on campus. Another 40% live in off-campus housing, and about 20% live with their parents. Among dependent students at private nonprofit four-year colleges, 70% live on campus, 17% live in off-campus housing, and 12% live with their parents. (NCES, *National Postsecondary Student Aid Study (NPSAS)*, 2008)

# Regional Variation in Charges

**FIGURE 6**

Average Tuition and Fee and Room and Board (TFRB) Charges by College Board Region and Sector, in Constant 2010 Dollars, 2000-01 and 2010-11 (Enrollment-Weighted)



Published prices and the rates of change in those prices vary considerably across regions of the country. In 2010-11, average published tuition and fees for public four-year colleges range from \$6,428 in the South to \$9,857 in New England.

- In 2010-11, average published tuition and fees for public two-year colleges range from \$1,594 in the West to \$4,221 in New England.
- Over the decade from 2000-01 to 2010-11, dollar increases in average public four-year tuition and fees ranged from \$2,249 (in 2010 dollars) in the Middle States region to \$3,648 in New England. Percentage increases ranged from 37% in the Middle States region to 100% in the Southwest.
- Despite low tuition and fees relative to most of the country, the \$10,439 average charge for room and board at public four-year colleges and universities in the West is highest. The second highest is New England at \$9,587, and the lowest is \$7,131 in the Southwest.
- Average tuition and fees at public two-year colleges in the West are only 22% of the charges at public four-year colleges. In the Middle States region, this percentage is 46%. The smallest dollar gap between average tuition and fees at two-year and four-year public colleges is \$3,616 per year in the South, and the largest is \$5,636 in New England.
- In addition to regional differences, there are also differences by state in published tuition and fees (see data online at [trends.collegeboard.org](http://trends.collegeboard.org)).

*The blue bars report 2000-01 prices and the orange bars report 2010-11 prices. In each bar, the darker segment corresponds to published tuition and fees and the lighter segment corresponds to room and board charges. The height of the entire bar reflects total TFRB charges.*

NOTE: 2010-11 public two-year room and board charges are based on commuter housing and food costs; comparable data are not available for 2000-01. States included in the regions are as follows: Middle States: DC, DE, MD, NJ, NY, PA, and PR; Midwest: IA, IL, IN, KS, MI, MN, MO, NE, ND, OH, SD, WI, and WV; New England: CT, MA, ME, NH, RI, and VT; South: AL, FL, GA, KY, LA, MS, NC, SC, TN, and VA; Southwest: AR, NM, OK, and TX; West: AK, AZ, CA, CO, HI, ID, MT, NV, OR, UT, WA, and WY.

SOURCE: The College Board, *Annual Survey of Colleges*.



# Average Net Price

Although average published tuition and fees increased much more rapidly than other prices in the economy between 2005-06 and 2010-11, estimated average net tuition and fees, after considering grant aid and tax benefits, are lower in the public two-year, public four-year, and private nonprofit four-year sectors than they were five years ago.

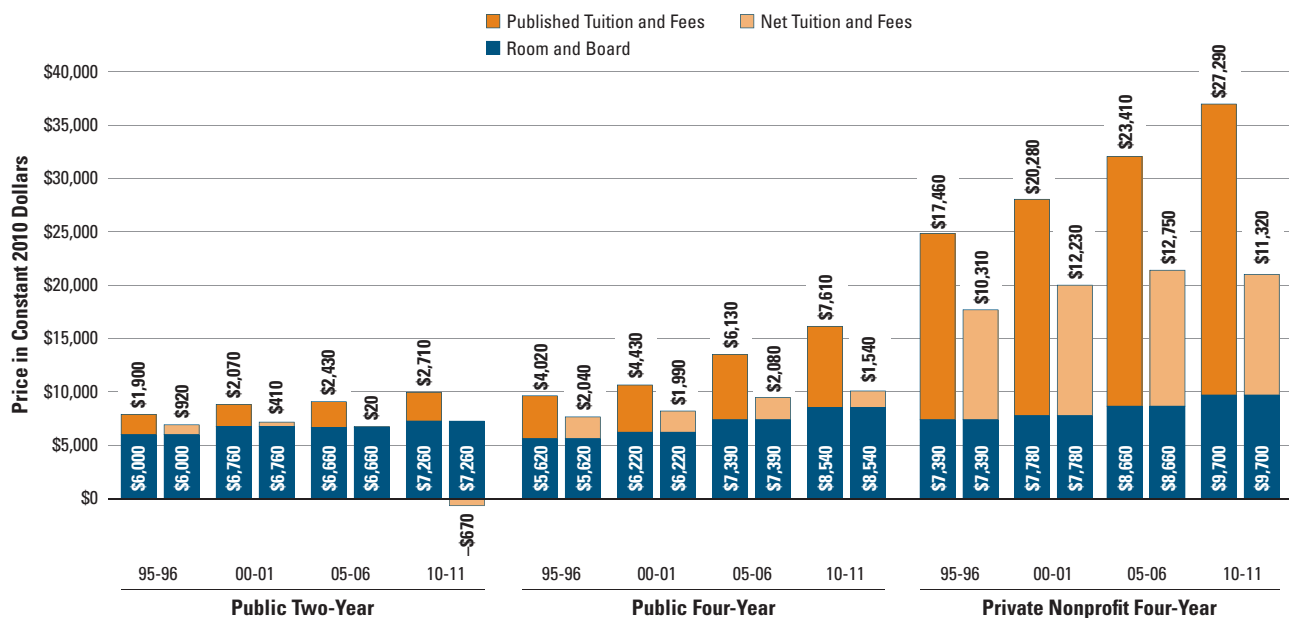
- When room and board costs are also considered, average total net price increased by about \$600 (in constant 2010 dollars) in public four-year institutions, but declined by about \$90 in public two-year colleges and by about \$540 in private nonprofit four-year colleges between 2005-06 and 2010-11.
- Although not shown in Figure 7, which includes only five-year intervals, estimated net tuition and fees rose in constant dollars in all three sectors between 2009-10 and 2010-11.
- In 2010-11, full-time students at private nonprofit four-year institutions receive an estimated average of about \$16,000 in grant aid from all sources and federal tax benefits.
- In 2010-11, full-time students at public four-year colleges and universities receive an estimated average of about \$6,100 in grant aid from all sources and federal tax benefits.
- In 2010-11, full-time students at public two-year colleges receive an estimated average of about \$3,400 in grant aid from all sources and federal tax benefits.

## ALSO IMPORTANT:

- Large increases in federal Pell Grants and Veterans' Benefits in 2009-10 made a significant contribution to the downward trend in average net prices.
- The combination of rising published prices and rising grant aid creates a growing gap between the prices paid by students who receive grant aid and those who pay the full published price.

**FIGURE 7**

Published Tuition and Fees, Net Tuition and Fees, and Room and Board in Constant 2010 Dollars, Full-Time Undergraduate Students, 1995-96, 2000-01, 2005-06 and 2010-11 (Estimated)



The distribution of grant aid across sectors and between full-time and part-time students is based on data from the National Postsecondary Student Aid Study. The distribution for 2009-10 includes estimates of the changes resulting from the large increase in Pell Grants that year. Because financial aid data for 2010-11 are not yet available, net prices for 2010-11 are estimated based on past years and available information about changes in financial aid.

NOTE: Numbers have been rounded to the nearest 10s.

SOURCES: The College Board, *Annual Survey of Colleges*; *Trends in Student Aid 2010*; calculations by the authors.

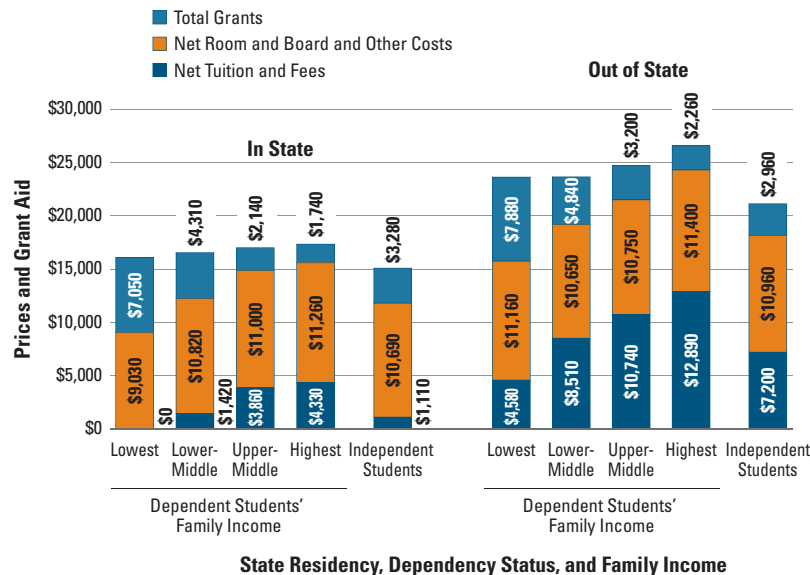
For detailed background data and additional information, please visit <http://trends.collegeboard.org>.



# Net Price — Public Institutions

**FIGURE 8A**

Net Prices of Full-Time Students at Public Four-Year Colleges and Universities, by State Residency, Dependency Status, and Family Income, 2007-08

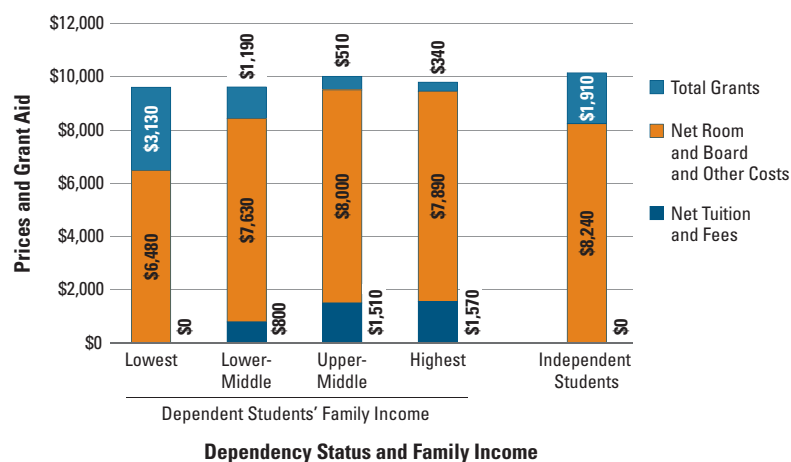


On average, grant aid covered the entire tuition and fees for low-income dependent students enrolled in both public two-year and in-state public four-year institutions in 2007-08, with about \$1,250 for two-year and \$1,720 for four-year students left over to put toward other college-related expenses.

- The difference between the average net tuition and fees for in-state students and for out-of-state students — after taking grant aid from all sources into consideration — was largest for dependent students from families with incomes of \$100,000 or higher.
- In 2007-08, 36% of public two-year college students were independent, compared to 18% of in-state and 9% of out-of-state public four-year college students.
- In 2007-08, 18% of full-time students enrolled in public two-year colleges were dependent students from families with incomes below \$32,500. In four-year colleges and universities, this percentage was 15% for in-state students and 9% for out-of-state students.
- In 2007-08, 12% of full-time students enrolled in public two-year colleges were dependent students from families with incomes of \$100,000 or higher. In four-year colleges and universities, this percentage was 26% for in-state students and 44% for out-of-state students.

**FIGURE 8B**

Net Prices of Full-Time Students at Public Two-Year Colleges by Dependency Status and Family Income, 2007-08



Figures 8A and 8B have different vertical axis scales. Public two-year prices are too low to illustrate clearly on the scale reaching \$30,000 in Figure 8A.

NOTE: Income categories are: lowest — less than \$32,500; lower-middle — \$32,500–\$59,999; upper-middle — \$60,000–\$99,999; highest — \$100,000 or higher. Grants are from all sources, including federal and state governments, institutions, and private sources. “Other costs” include books and supplies, transportation, and basic living costs as reported by institutions in student budget calculations.

SOURCES: NCES, NPSAS, 2008; calculations by the authors.

Distribution of Full-Time Students by Dependency Status and Family Income, Public Colleges and Universities, 2007-08

	Public Two-Year	Public Four-Year In-State	Public Four-Year Out-of-State
Dependent <\$32,500	18%	15%	9%
Dependent \$32,500–\$59,999	18%	16%	12%
Dependent \$60,000–\$99,999	17%	24%	25%
Dependent \$100,000 or more	12%	26%	44%
Independent	36%	18%	9%

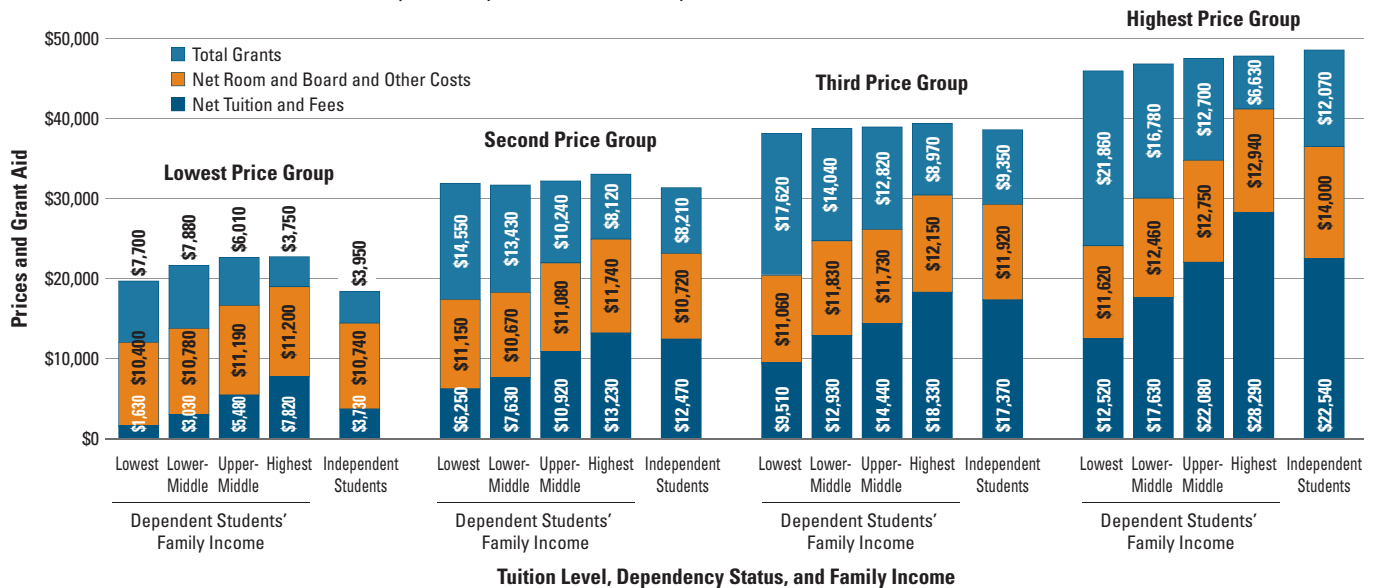
NOTE: Percentages may not sum to 100 because of rounding.

SOURCES: NCES, NPSAS, 2008; calculations by the authors.

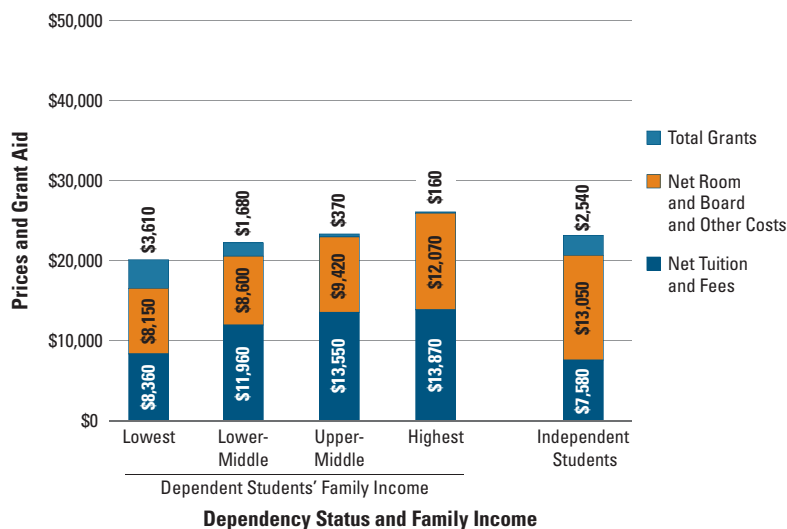
# Net Price — Private Institutions

As a result of the grant aid they receive, the additional tuition lower-income students pay to attend a high-price private nonprofit college is significantly smaller than the price increment for students from higher-income families.

**FIGURE 9A** Net Prices of Full-Time Students at Private Nonprofit Four-Year Colleges and Universities, by Level of Tuition and Fees, Dependency Status, and Family Income, 2007-08



**FIGURE 9B** Net Prices of Full-Time Students at Private For-Profit Colleges and Universities, by Dependency Status and Family Income, 2007-08



Distribution of Full-Time Students by Dependency Status, Family Income, and Published Tuition and Fees, Private Nonprofit Four-Year and All For-Profit Institutions, 2007-08

	Private Nonprofit Four-Year Institutions: Published Tuition and Fees				For-Profit
	Lowest Price	2nd	3rd	Highest Price	
Dependent <\$32,500	13%	13%	11%	10%	11%
Dependent \$32,500–\$59,999	13%	17%	17%	12%	6%
Dependent \$60,000–\$99,999	14%	29%	26%	24%	5%
Dependent \$100,000 or more	18%	28%	40%	50%	3%
Independent	42%	13%	7%	4%	75%

SOURCES: NCES, NPSAS, 2008; calculations by the authors.

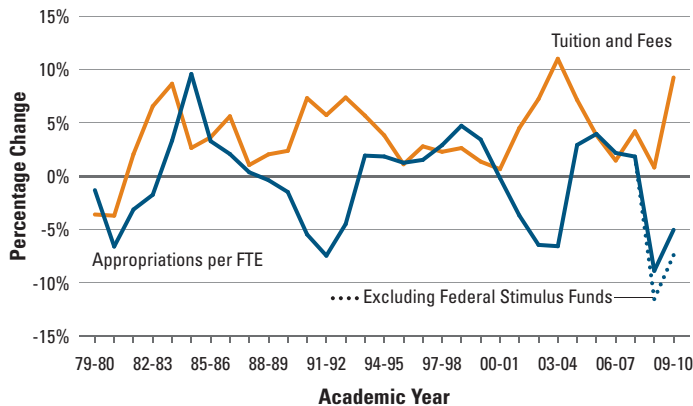
- For lower- and lower-middle-income students, as well as for independent students, average grant aid is higher at higher-price institutions. For upper-income dependent students, grant aid is highest at mid-price private colleges.
- For low-income and lower-middle-income dependent students, grant aid covers a significant portion of tuition and fees at all types of private nonprofit colleges. However, on average it is not high enough to also support room and board and other living costs.
- Because of the role of grant aid, net tuition and fee prices are lower for many students attending private nonprofit institutions with higher published prices than for students attending for-profit institutions.
- In the for-profit sector, 75% of full-time students were independent in 2007-08, compared to 42% in the lowest-price private nonprofit colleges and 4% to 13% in other private nonprofit colleges.
- Half of the full-time students in the highest-price private nonprofit colleges in 2007-08 were dependent students from families with incomes of \$100,000 or higher. Only 3% of students at for-profit institutions were from this group.

NOTE: Percentages may not sum to 100 because of rounding. Income categories are: lowest — less than \$32,500; lower-middle — \$32,500–\$59,999; upper-middle — \$60,000–\$99,999; highest — \$100,000 or higher. Grants are from all sources, including federal and state governments, institutions, and private sources. "Other costs" include books and supplies, transportation, and basic living costs as reported by institutions in student budget calculations.

# Institutional Revenues — Public Appropriations

**FIGURE 10A**

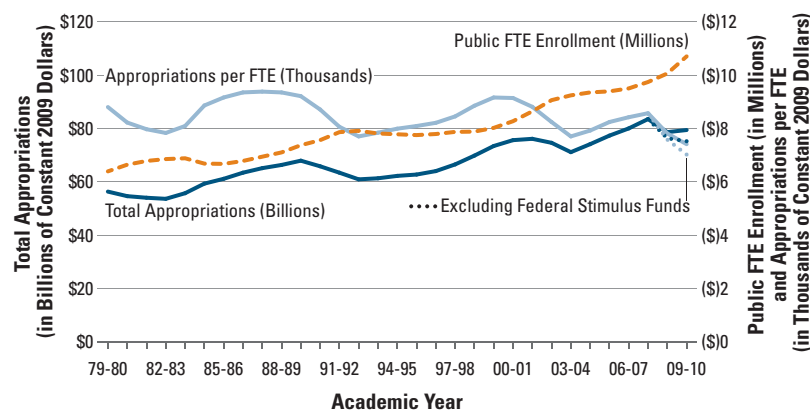
Annual Percentage Changes in State Tax Appropriations for Higher Education per Full-Time Equivalent (FTE) Student and in Tuition and Fees at Public Four-Year Institutions in Constant 2009 Dollars, 1979-80 to 2009-10



The 0% line corresponds to changes in appropriations that compensate only for the overall rate of inflation in consumer prices. Negative percentage changes indicate declines in inflation-adjusted appropriation amounts. The dotted line represents the percentage change that would have occurred were federal stimulus funds not appropriated in 2008-09 and 2009-10.

**FIGURE 10B**

State Tax Appropriations for Higher Education: Total Appropriations in Constant 2009 Dollars (in Billions), Appropriations per Public FTE Student in Constant 2009 Dollars (in Thousands), and Public FTE Enrollment (in Millions), 1979-80 to 2009-10



NOTE: Fall 2009 FTE enrollment was estimated based on preliminary IPEDS numbers. Appropriations reported here are for institutional operating expenses, not for capital expenditures.

SOURCES: The College Board, *Annual Survey of Colleges*; Illinois State University, *Grapevine* reports; NCES, *Digest of Education Statistics 2009*, Table 218.

After adjusting for inflation, state appropriations per full-time equivalent (FTE) student declined by 9% in 2008-09 and by another 5% in 2009-10. Federal stimulus funds accounted for 3% of these state appropriations in 2008-09 and 5% in 2009-10.

- The federal American Recovery and Reinvestment Act passed by Congress in February 2009 included funding for states to partially compensate for declining appropriations of state tax funds for financing higher education.
- Total state appropriations for higher education institutions increased by 8% from 1989-90 to 1999-2000, after adjusting for inflation, and by another 8% from 1999-2000 to 2009-10.
- Enrollment in public colleges and universities increased by 9% from 1989-90 to 1999-2000 and by 33% over the most recent decade.
- As a result of increased enrollment, state funding per FTE student was about 1% lower in constant dollars in 1999-2000 than in 1989-90. In 2009-10, appropriations per student averaged 19% lower than a decade earlier.

## ALSO IMPORTANT

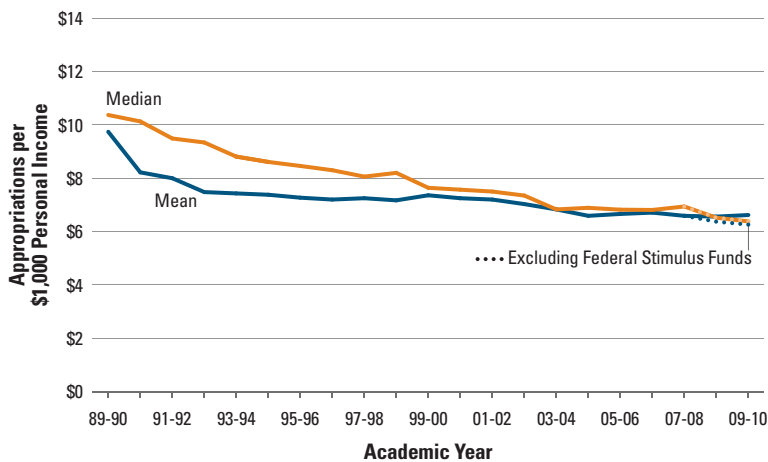
- From fall 2000 to fall 2007, FTE enrollment in public institutions in the United States increased by 18%. Enrollment growth ranged from 2% in Louisiana and 8% in Tennessee and Illinois to 36% in Georgia and 41% in Nevada. (NCES, *Digest of Education Statistics 2009*, Table 220)
- Between 2008-09 and 2009-10, total state appropriations for higher education, including federal stimulus funds, increased by 19% in North Dakota and 13% in Texas. Appropriations declined by 11% in Arizona and by 10% in New Mexico and Virginia. (*Grapevine*, [http://www.grapevine.ilstu.edu/fifty\\_state\\_summary.htm](http://www.grapevine.ilstu.edu/fifty_state_summary.htm))

# Institutional Revenues — Public Appropriations

Average state appropriations per \$1,000 of personal income declined from \$9.70 in 1989-90 and \$8.20 in 1990-91 to \$7.40 in 1999-2000 and \$6.60 in 2009-10. Excluding the federal stimulus funds provided to states, the state funding for higher education was \$6.30 per \$1,000 in personal income in 2009-10.

**FIGURE 11A**

Mean and Median State Tax Appropriations for Higher Education per \$1,000 in Personal Income, 1989-90 to 2009-10

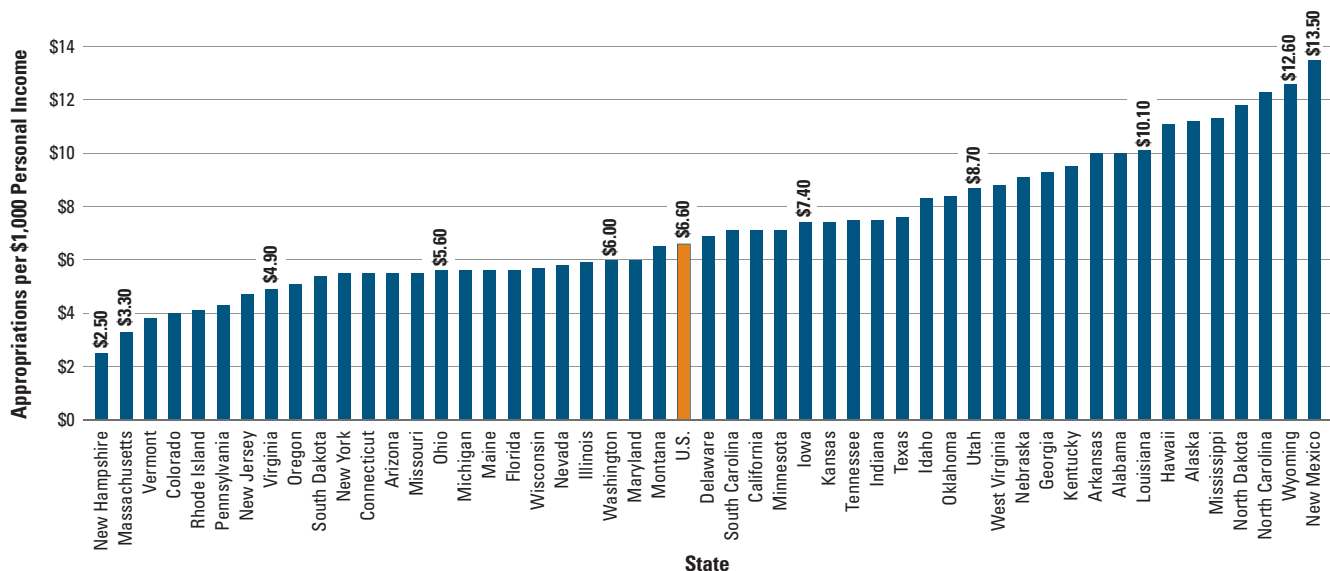


SOURCES: Illinois State University, *Grapevine* reports; calculations by the authors.

- In 2009-10, when average state appropriations (including federal stimulus funds) per \$1,000 of personal income were \$6.60, New Hampshire provided only \$2.50 and Massachusetts provided \$3.30 per \$1,000 of personal income for higher education operations. At the other end of the spectrum, Wyoming appropriated \$12.60 and New Mexico appropriated \$13.50 per \$1,000 of personal income.
- New Hampshire had the lowest appropriations relative to personal income every year from 1989-90 through 2009-10. Colorado, Connecticut, Massachusetts, and Vermont have each ranked second lowest for some of these years.
- New Mexico had the highest appropriations relative to personal income in most years from 1989-90 through 2009-10, but Wyoming and Mississippi have also ranked first. In addition to these states, Alabama, Alaska, and North Carolina have ranked second highest in some of these years.
- Over the decade from 1999-2000 to 2009-10, state appropriations per \$1,000 in personal income declined by 35% in Iowa and by 33% in Massachusetts and Virginia. Appropriations per \$1,000 in personal income declined by more than 20% in 11 additional states (not shown in graphs).
- Appropriations per \$1,000 in personal income increased by 25% in Georgia, 16% in Wyoming, and by smaller percentages in Alaska, Connecticut, Hawaii, Louisiana, Nevada, New York, North Carolina, and Tennessee (not shown in graphs).

**FIGURE 11B**

State Tax Appropriations for Higher Education per \$1,000 in Personal Income by State, 2009-10 (Including Federal Stimulus Funds)

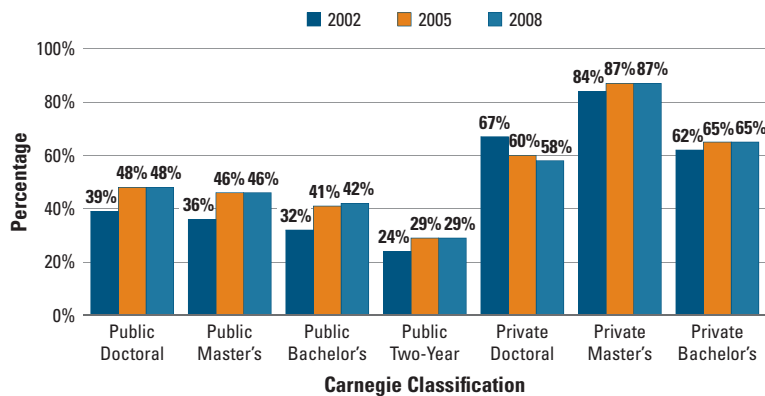


SOURCE: Illinois State University, 2009-10 *Grapevine* data.

# Institutional Revenues — Net Tuition Revenue

**FIGURE 12A**

Net Tuition Revenue per Full-Time Equivalent (FTE) Student as a Percentage of Total Educational Expenses, 2002–2008, Selected Years



NOTE: **Net tuition revenue** is the amount of tuition revenues an institution takes in from students (including fees) net of all institutional grant aid provided.

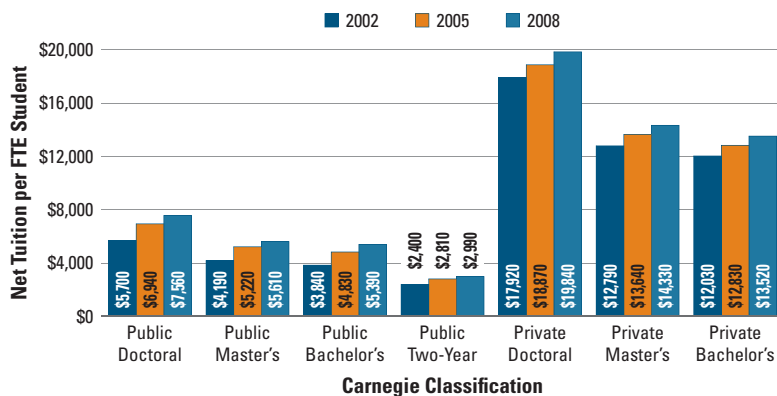
SOURCE: The Delta Cost Project ([www.deltacostproject.org](http://www.deltacostproject.org)).

In 2008, private master's universities were the most tuition-dependent institutions, relying on tuition revenues to cover an average of 87% of their educational expenditures. Net tuition revenues covered an average of 29% of educational expenditures at public two-year colleges.

- Net revenues from tuition and fees covered an average of 48% of educational expenditures at public doctoral universities and 58% at private doctoral universities in 2008.
- With the exception of private doctoral universities, the proportion of educational expenditures covered by net tuition revenues increased in all sectors between 2002 and 2008.

**FIGURE 12B**

Net Tuition Revenue per Full-Time Equivalent (FTE) Student in Constant 2008 Dollars, by Carnegie Classification, 2002–2008, Selected Years



NOTE: Because of differences in undergraduate and graduate tuition, tuition paid by part-time students, tuition paid by out-of-state and international students, and accounting conventions, these net tuition figures are not comparable to either the published prices or the net prices faced by students reported elsewhere in *Trends in College Pricing*.

SOURCE: The Delta Cost Project ([www.deltacostproject.org](http://www.deltacostproject.org)).

- At public four-year institutions, net tuition revenues per full-time equivalent student were 33% to 40% higher in 2008 than in 2002, after adjusting for inflation. This represents annual growth rates of 4.8% to 5.8%.
- At private four-year institutions, net tuition revenues per full-time equivalent student were 11% to 12% higher in 2008 than in 2002, after adjusting for inflation. This represents annual growth rates of 1.7% to 2.0%.
- In 2002, net tuition revenues per student at public doctoral universities were 32% of the revenues at private doctoral universities. By 2008, this ratio had increased to 38%. The pattern was similar for master's universities.

# Institutional Expenditures

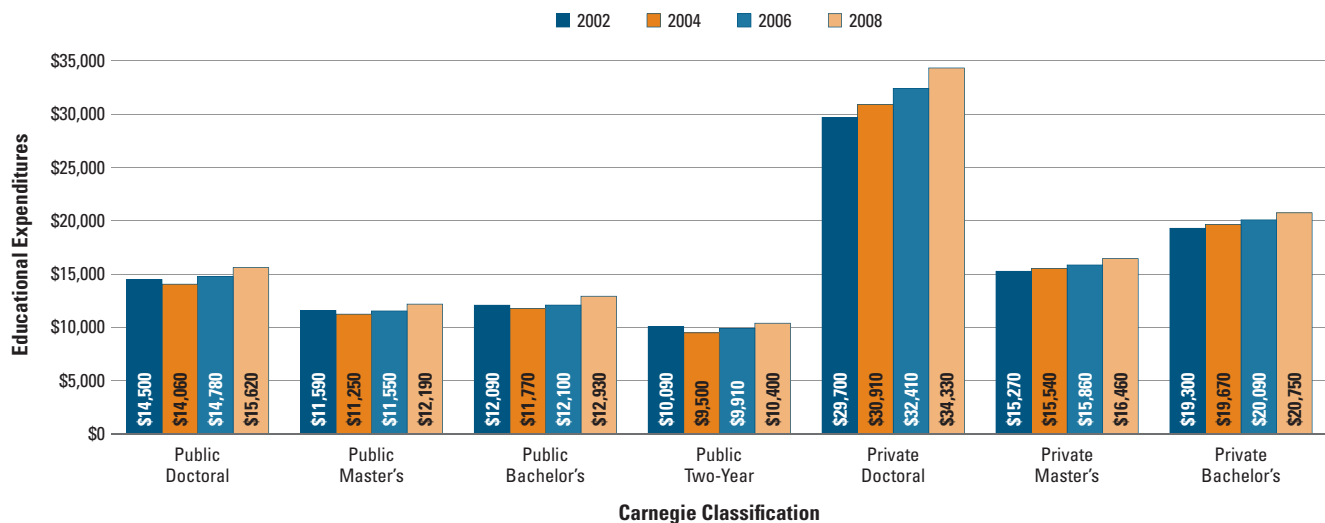
In 2008, the average cost of educating a full-time student ranged from \$10,400 at public two-year colleges to \$34,330 at private doctoral universities.

- At public two-year colleges, expenditures per student were 3% higher in 2008 than in 2002, after adjusting for inflation. This represents an average annual growth rate of 0.5%.
- At both public doctoral universities and private master's universities, expenditures per student were 8% higher in 2008 than in 2002, after adjusting for inflation. This represents an average annual growth rate of 1.3%.
- At private doctoral universities, expenditures per student were 16% higher in 2008 than in 2002, after adjusting for inflation. This represents an average annual growth rate of 2.4%.

## ALSO IMPORTANT

- When total operations, including research, public service, hospitals, and auxiliary operations such as dormitories and food services are included, total expenditures in 2008 in the public sector ranged from \$12,800 per student at two-year colleges, \$17,400 at master's universities, and \$18,000 at bachelor's colleges to \$34,600 at doctoral universities. In the private sector, average total expenditures per full-time student were \$20,300 at master's universities, \$26,500 at bachelor's colleges, and \$63,700 at doctoral universities. (The Delta Cost Project)

**FIGURE 13** Educational Expenditures per Full-Time Equivalent Student in Constant 2008 Dollars, by Carnegie Classification, 2002–2008, Selected Years



NOTE: Educational expenditures include all spending for instruction and student services plus a portion of spending for academic and institutional support and for operations and maintenance of buildings. This measure includes spending on both undergraduate and graduate students and is an estimate of the full cost of educating students. Expenditures on research, public service, hospitals, and auxiliary enterprises such as dormitories are not included.

SOURCE: The Delta Cost Project ([www.deltacostproject.org](http://www.deltacostproject.org)).

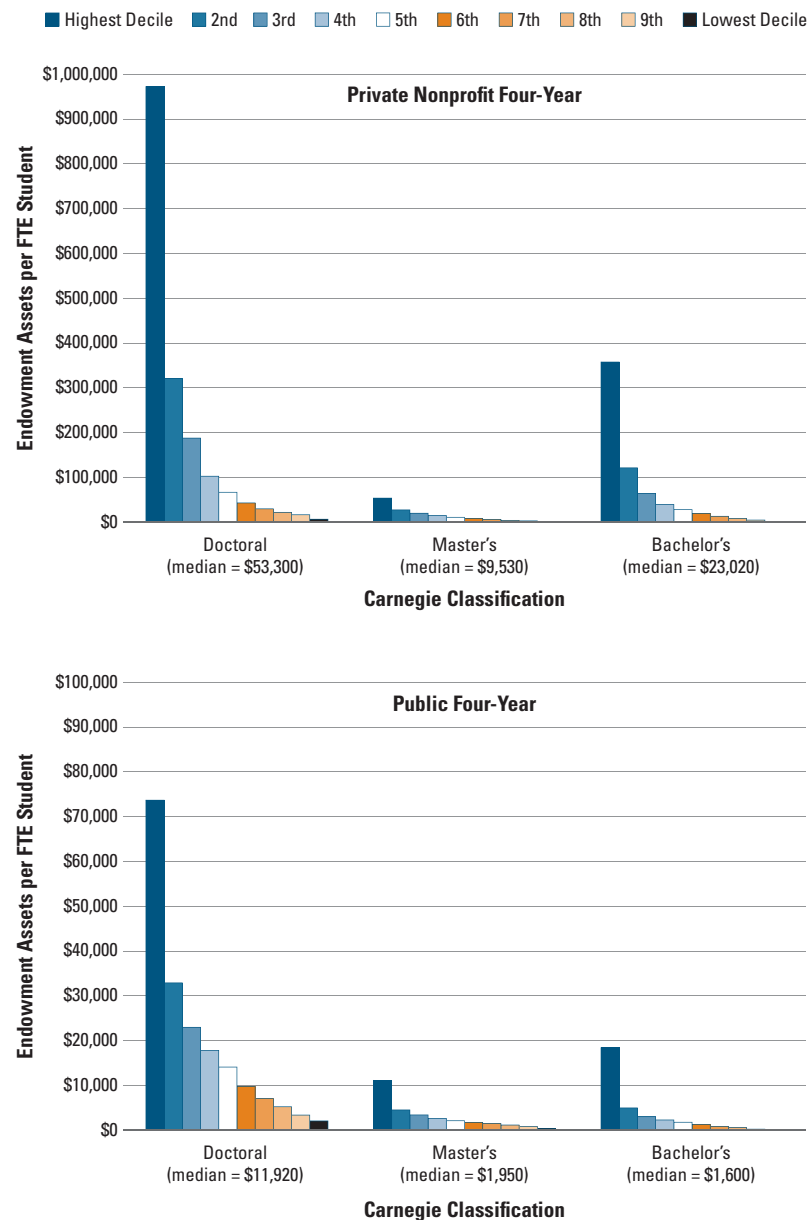


# Endowments

Endowment assets are highly concentrated among a small number of institutions within each sector. The top 10% of private doctoral universities hold about 39% of total endowment assets of all private four-year institutions, and the top 10% of public doctoral universities hold about 34% of total endowment assets of all public four-year institutions.

**FIGURE 14**

Endowment Assets per Full-Time Equivalent (FTE) Student at Four-Year Colleges and Universities by Decile and Carnegie Classification, 2008-09



- Average endowment per student is about 13 times as high in private doctoral institutions as in public doctoral institutions. The private-to-public ratio is about 5 to 1 for master's universities and about 19 to 1 for bachelor's colleges.
- Among private bachelor's colleges, the \$484,000 endowment per student at the 20 wealthiest institutions making up the top 5% is over twice as high as the \$231,000 per student in the second 5% of colleges.
- Among private doctoral universities, the \$1.2 million endowment per student at the four wealthiest institutions making up the top 5% is over twice as high as the \$589,000 per student in the second 5% of universities.

NOTE: The scale of the private four-year graph is 10 times that of the public four-year graph. The value of endowment assets was as of the end of June 2009. Endowment assets are based on data for 101 private doctoral, 319 private master's, 470 private bachelor's, 162 public doctoral, 245 public master's, and 93 public bachelor's institutions. Average endowment per FTE student for each decile of institutions is calculated by ordering the institutions in the sector by assets per FTE student and dividing the number of students in the sector into deciles. Total assets in the institutions enrolling 10% of students in the sector are divided by the number of students in these institutions to yield assets per student in each decile. Half of the students in the sector are enrolled in institutions with endowment per FTE student below the sector median, and half are enrolled in institutions with higher endowments per FTE student.

SOURCES: National Association of College and University Business Officers (NACUBO) *Endowment Study*; Commonfund Institute; NCES, *IPEDS*; calculations by the authors. Data are from NACUBO and the Commonfund Institute where available.

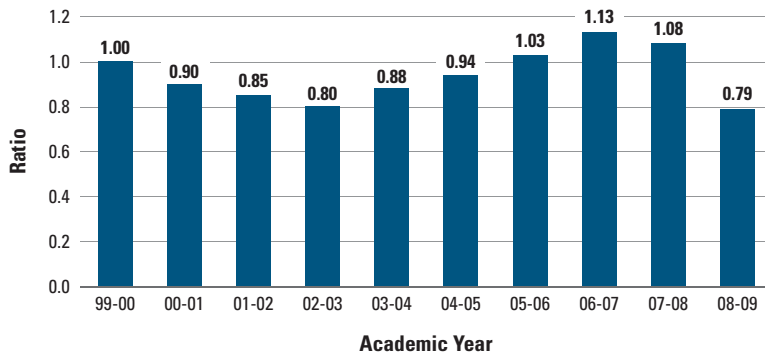
*Endowment assets include funds that are restricted by donors so that by law, only the investment income is available for spending. Institutional policy dictates the spending rates and policies of other endowed funds.*



# Endowments

**FIGURE 15A**

Inflation-Adjusted Endowment Assets per FTE Student at Private Nonprofit Four-Year Colleges and Universities Relative to 1999-2000, 1999-2000 to 2008-09



NOTE: The value of endowment assets was as of the end of June (i.e., June 2000 for 1999-2000) and is based on 143 institutions that reported data for each year from 1999-2000 to 2008-09.

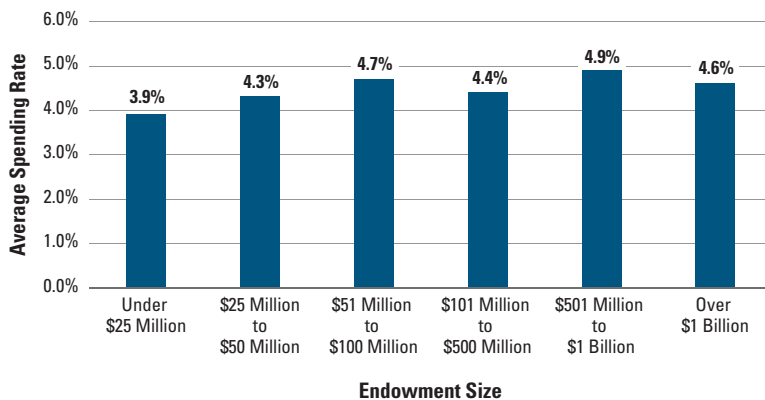
SOURCES: NACUBO *Endowment Study*; Commonfund Institute; NCES, *IPEDS*; calculations by the authors. Data are from NACUBO and Commonfund Institute where available.

As of June 2009, total endowment assets for private colleges and universities were about 27% lower than a year earlier, after adjusting for inflation.

- Endowments for public four-year institutions, not shown in Figure 15A, declined by almost 20% from June 2008 to June 2009.
- Colleges and universities with endowment values from \$501 million to \$1 billion had the highest spending rates in 2008-09, with an average of 4.9% of their endowments going toward operations. Institutions with the smallest endowments — under \$25 million — had the lowest spending rates, with an average of 3.9% of their endowments going toward operations.

**FIGURE 15B**

Average Reported Spending Rates for College and University Endowments and Affiliated Foundations, 2008-09



NOTE: Reported spending rates are based on data for 142 public and private institutions and are simple averages of spending rates reported by individual institutions and not weighted by enrollments.

SOURCE: NACUBO-Commonfund *Study of Endowments 2009*.

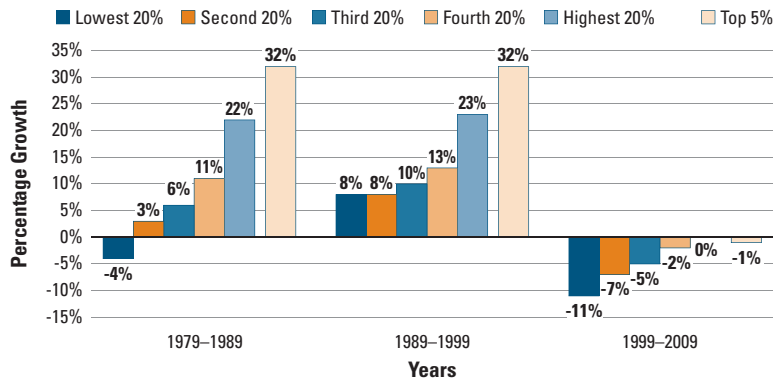
## ALSO IMPORTANT:

- According to NACUBO, the overall average endowment spending rate for colleges and universities was 4.4% in 2008-09. This represents a decline from 5.3% in 2002-03.
- Private colleges and universities rely much more heavily on revenues from private gifts, investment returns and endowment income than do public institutions. In both sectors, these revenues constitute a larger percentage of total revenues for bachelor's colleges than for master's universities, and a much larger percentage for doctoral universities. In 2007-08, 79% of private doctoral university revenues, 41% of private bachelor's college revenues, and 18% of private master's university revenues were from these sources. In the public sector, these figures were 21%, 12%, and 8%, respectively. (The Delta Cost Project)

# Family Income

**FIGURE 16A**

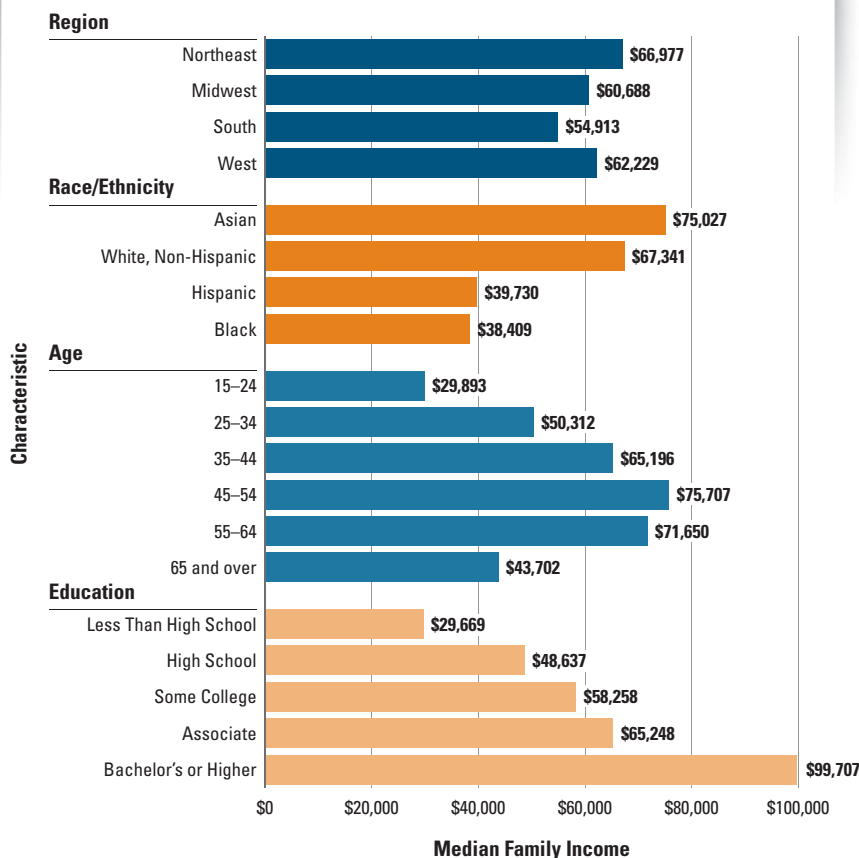
Percentage Growth in Mean Family Income by Quintile in Constant 2009 Dollars, 1979–1989, 1989–1999, and 1999–2009



	Lowest 20%	Second 20%	Third 20%	Fourth 20%	Highest 20%	Top 5%
\$ Change 1979–2009	-\$1,226	\$1,338	\$6,057	\$16,824	\$62,324	\$136,794
% Change 1979–2009	-7%	4%	11%	23%	49%	73%
2009 Income Bracket	\$26,934 or less	\$26,935 to \$47,914	\$47,915 to \$73,338	\$73,339 to \$112,540	\$112,541 or higher	\$200,000 or higher

**FIGURE 16B**

Median Family Income by Selected Characteristics, 2009



Over the entire income distribution in the United States, average family incomes in 2009 were equal to or lower than they had been a decade earlier after adjusting for inflation. The largest declines were for the lowest-income families.

- Over each of the past three decades, the distribution of family income has become less equal.
- Over the three decades from 1979 to 2009, average family income declined by 7% (\$1,226 in constant 2009 dollars) for the poorest 20% of families. Average income rose 11% (\$6,057) for the middle 20% of families and 73% (\$136,794) for the wealthiest 5% of families.
- In 2009, when median family income for all families was \$60,088, families headed by individuals ages 45 to 54 — the age bracket of most parents of traditional-age college students — was \$75,707 (26% higher).
- In 2009, median income for black and Hispanic families was less than 60% of the median for white families.
- The \$99,707 median family income for families headed by a four-year college graduate was more than twice the median income for families headed by a high school graduate.

## ALSO IMPORTANT:

- The share of all income going to the 20% of families with the lowest incomes has steadily declined, from 5.4% in 1979 to 4.6% in 1989, 4.3% in 1999, and 3.6% in 2009. The share of income going to the top 5% of families rose from 15.3% to 20.7% over this 30-year period. (U.S. Census Bureau, *Current Population Survey*, Table F-2)
- Average published tuition and fees at public four-year colleges rose by about \$4,800 (in 2009 dollars) over this 30-year period — about 80% of the increase in income of the middle 20% of families and about 8% of the increase in income of the 20% of families with the highest incomes.

SOURCES: U.S. Census Bureau, *Current Population Survey*, Table F-1, Table F-3, Table F-5, and FINC-01; calculations by the authors.

# Enrollment Patterns over Time

From fall 2000 to fall 2009, the percentage of all full-time students enrolled in for-profit institutions increased from 4% to 10%. The percentage of part-time students enrolled in this sector increased from 1% to 6%.

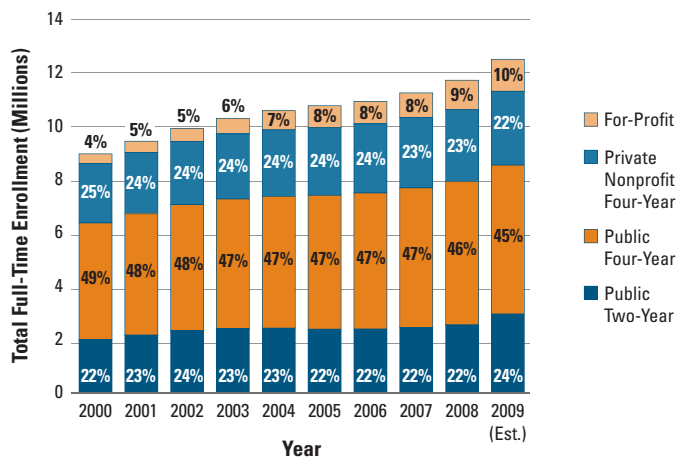
- From fall 2000 to fall 2009, the percentage of all full-time students enrolled in public four-year and private nonprofit institutions declined from 74% to 67%. The percentage of part-time students enrolled in these two sectors declined from 40% to 38%.
- In 1967, 82% of male and 81% of female first-time students in degree-granting institutions were enrolled full-time. By 1981, those percentages had declined to 70% and 64%, respectively. In 2008, 80% of first-time male and female students were enrolled full-time.

## ALSO IMPORTANT:

- The percentage of students enrolled full-time declines as age increases. In fall 2007, 85% of 18- and 19-year-old students, 50% of 25- to 29-year-old students, and 21% of those ages 50 and older were enrolled full-time. (NCES, *Digest of Education Statistics 2009*, Table 193)
- Only 2% of 18- to 19-year-old students are enrolled in the for-profit sector, compared to 13% of 30- to 39-year-old students. Forty-two percent of 18- to 19-year-old students are enrolled in public four-year institutions, compared to 31% of 30- to 39-year-olds. (NCES, *Digest of Education Statistics 2009*, Table 193)

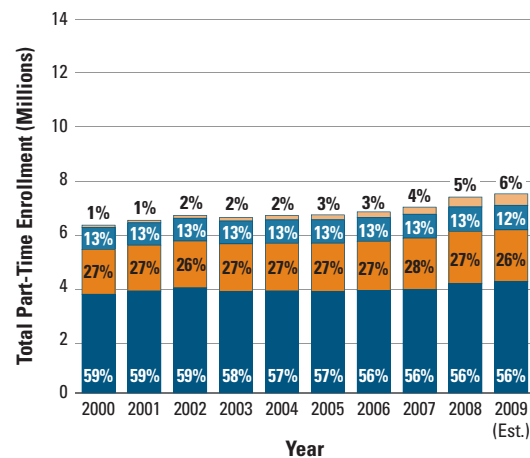
**FIGURE 17A**

Total Fall Full-Time Enrollment in Degree-Granting Institutions, by Sector, 2000–2009



**FIGURE 17B**

Total Fall Part-Time Enrollment in Degree-Granting Institutions, by Sector, 2000–2009

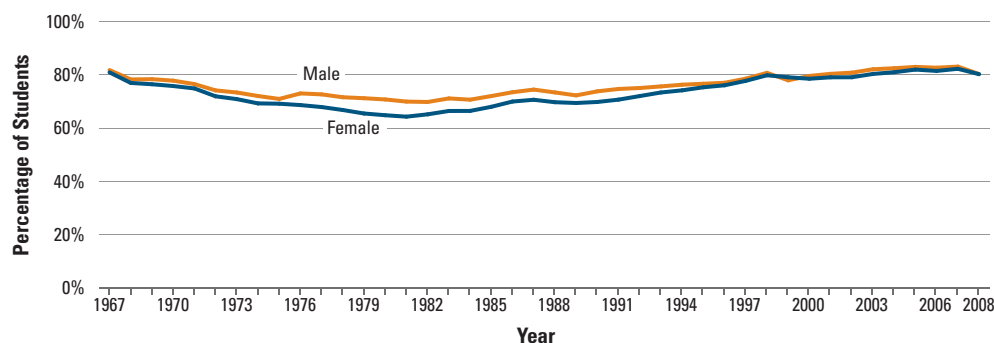


NOTE: Enrollment data for fall 2009 are estimated based on preliminary IPEDS numbers. Percentages may not sum to 100 because of rounding.

SOURCES: NCES, *Digest of Education Statistics 2009*, Table 196; NCES, *IPEDS*; calculations by the authors.

**FIGURE 17C**

Percentage of First-Time Freshman Students in Degree-Granting Institutions Enrolled Full-Time, 1967–2008



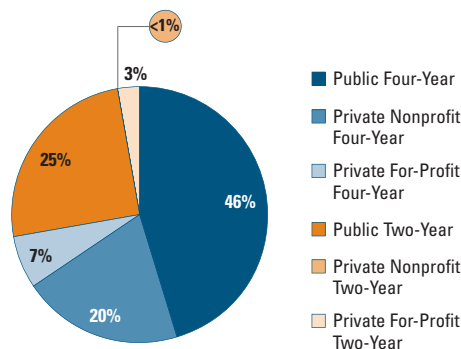
SOURCE: NCES, *Digest of Education Statistics 2009*, Table 198.

# Enrollment and Degrees Granted

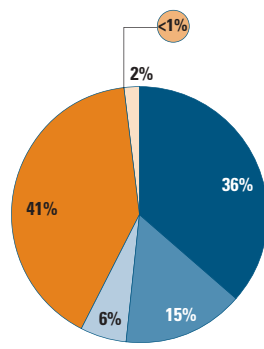
**FIGURE 18**

Percentage Distribution of Enrollment of Full-Time Undergraduate Students and All Undergraduate Students in Degree-Granting Programs, by Sector, Fall 2008

## Full-Time Undergraduate Students



## All Undergraduates



NOTE: Percentages may not sum to 100 because of rounding.

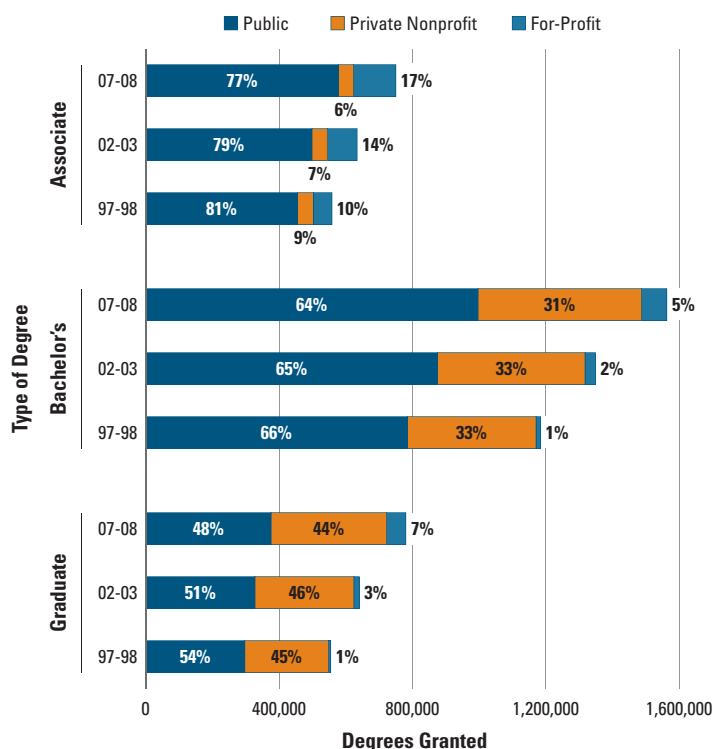
SOURCE: NCES, *IPEDS* unpublished data.

In 1997-98, 1% of the 1.2 million bachelor's degrees were conferred by the for-profit sector of higher education. In 2007-08, 5% of the 1.6 million bachelor's degrees conferred were from this sector.

- Forty-six percent of full-time undergraduate students and 36% of all undergraduate students who were enrolled in degree-granting programs in fall 2008 attended public four-year institutions.
- Twenty-five percent of full-time undergraduate students and 41% of all undergraduate students who were enrolled in degree-granting programs in fall 2008 attended public two-year colleges.
- In 1997-98, 10% of the 559,000 associate degrees awarded came from the for-profit sector of higher education. In 2007-08, 17% of the 750,000 associate degrees awarded came from this sector.

**FIGURE 19**

Percentage Distribution of Degrees Granted by Type of Degree and Sector, 1997-98, 2002-03, and 2007-08



NOTE: Percentages may not sum to 100 because of rounding. Graduate degrees include master's, first-professional, and doctoral degrees.

SOURCE: NCES, *The Condition of Education 2010*, Indicator 43.

- The total number of bachelor's degrees conferred increased by 32% from 1997-98 to 2007-08. The number of associate degrees conferred increased by 34%, and the number of graduate degrees conferred increased by 41%. (Within this category, the number of master's degrees increased most rapidly, and the number of first-professional degrees increased most slowly.)

## ALSO IMPORTANT

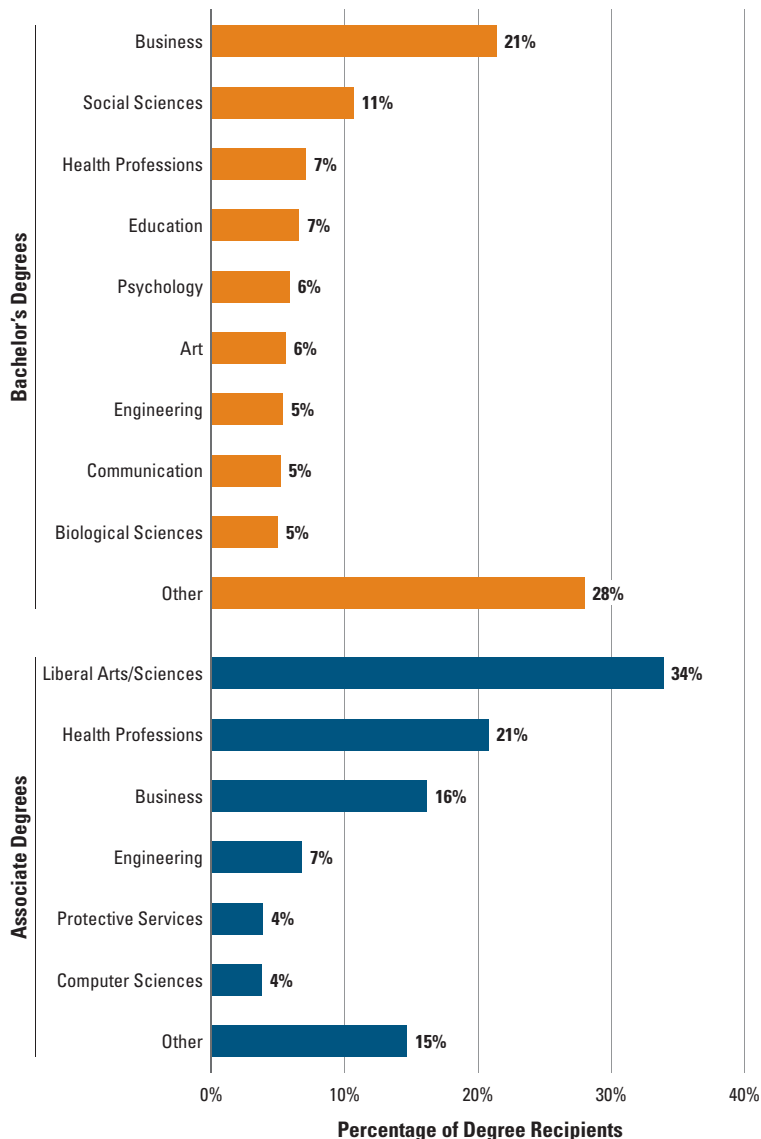
- In addition to the 16.4 million undergraduate students enrolled in degree-granting programs in fall 2008, there were 471,000 undergraduates enrolled in non-degree-granting programs. Fifty-six percent of these students attended for-profit less-than-two-year institutions. Another 14% attended for-profit two-year institutions, and 14% attended public less-than-two-year institutions. Many non-degree-seeking students are working toward vocational certificates. (NCES, unpublished data from *IPEDS*)

# Study Patterns

The percentage of all students who enrolled in at least one online course increased from 10% in fall 2002 to 25% in fall 2008.

**FIGURE 20A**

Fields of Study of Bachelor's and Associate Degree Recipients, 2007-08



NOTE: Percentages may not sum to 100 because of rounding.

SOURCE: NCES, *The Condition of Education 2010*, Indicator 41.

- In 2007-08, about one-fifth of all bachelor's degrees were awarded in the field of business. The second most common major was social sciences, including history.

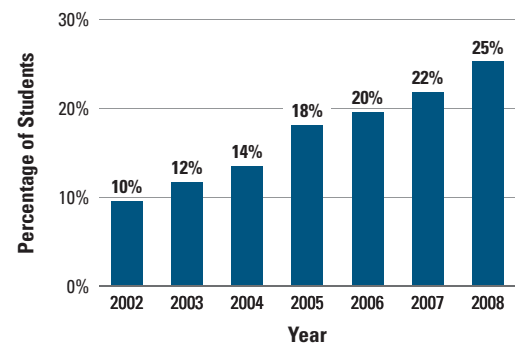
- In 2007-08, about one-third of all associate degrees were awarded in the liberal arts and sciences, general studies, or humanities. Another 21% were in the health professions.

## ALSO IMPORTANT

- Only about 4% of undergraduate students were taking their courses of study entirely online in 2007-08 (not shown on graphs). (NCES, *NPSAS*, 2008)

**FIGURE 20B**

Percentage of Students Taking at Least One Online Course, Fall 2002 Through Fall 2008



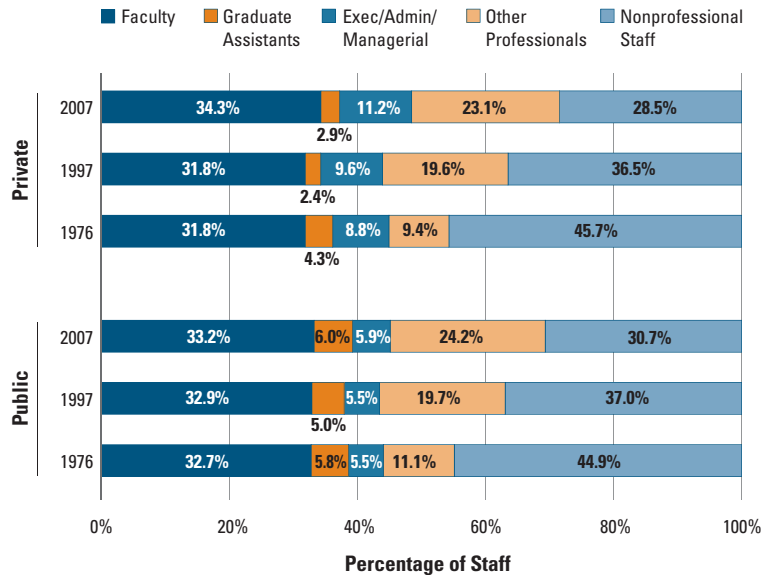
NOTE: Online courses are defined in the survey as those delivering at least 80% of their content online. Typically there are no face-to-face meetings in these courses. Blended or hybrid courses are not included in the figures reported here. Figures were reported by degree-granting institutions to the Babson Survey Research Group and on the College Board's *Annual Survey of Colleges*.

SOURCE: I. Elaine Allen and Jeff Seaman, *Learning on Demand: Online Education in the United States, 2009*, Babson Survey Research Group and the Sloan Consortium, 2010. [http://www.sloan-c.org/publications/survey/learning\\_on\\_demand\\_sr2010](http://www.sloan-c.org/publications/survey/learning_on_demand_sr2010).

# Faculty and Staff

**FIGURE 21A**

Composition of Staff in Degree-Granting Institutions, Fall 1976, Fall 1997, and Fall 2007



NOTE: Percentages may not sum to 100 because of rounding.

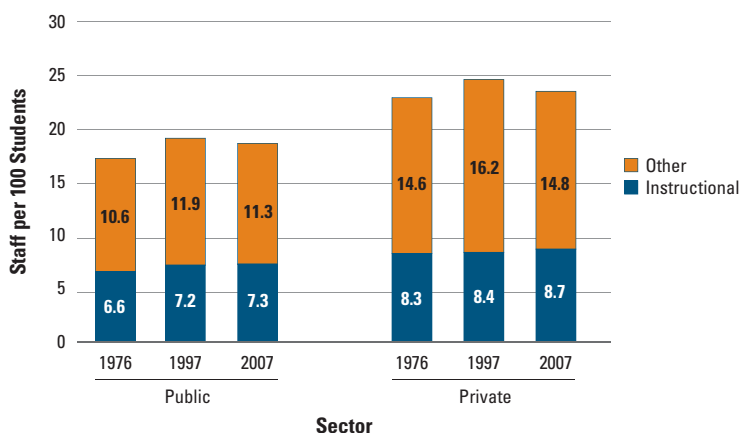
SOURCE: NCES, *Digest of Education Statistics 2009*, Table 244.

From 1976 through 2007, faculty constituted approximately one-third of the total staff of both public and private institutions.

- Executive, administrative, and managerial staff constituted 5.5% of total staff at public institutions in 1976 and 5.9% in 2007. This category of staff constituted 8.8% of the total at private institutions in 1976 and 11.2% in 2007.
- At both public and private institutions, the relative size of the nonadministrative professional staff has grown over time, while a smaller proportion of employees are in the nonprofessional category. The growing “other professional” category includes student, academic, and institutional support functions that require a bachelor’s degree or comparable experience. Examples of the many job titles in this category include human resources specialists, accountants and auditors, computer specialists, counselors, librarians, and coaches.

**FIGURE 21B**

Instructional and Noninstructional Staff per 100 Students, Public and Private Degree-Granting Institutions, Fall 1976, Fall 1997, and Fall 2007



NOTE: Both student and staff counts are in terms of full-time equivalents, with part-time individuals counted as approximately one-third of a full-time individual. Instructional staff includes faculty and graduate assistants. In addition to instruction, faculty members also devote their time to research and other activities.

SOURCE: NCES, *Digest of Education Statistics 2009*, Table 244.

- From fall 1976 to fall 2007, the number of instructional staff, including faculty and graduate assistants, per 100 students increased from 6.6 to 7.3 at public colleges and universities, and from 8.3 to 8.7 at private institutions.
- From fall 1976 to fall 2007, the number of noninstructional staff, including administrative positions, as well as other professional and all nonprofessional staff, increased from 10.6 to 11.3 at public colleges and universities, and from 14.6 to 14.8 at private institutions. In both sectors, the staff-to-student ratio was higher in 1997 than in either 1976 or 2007.

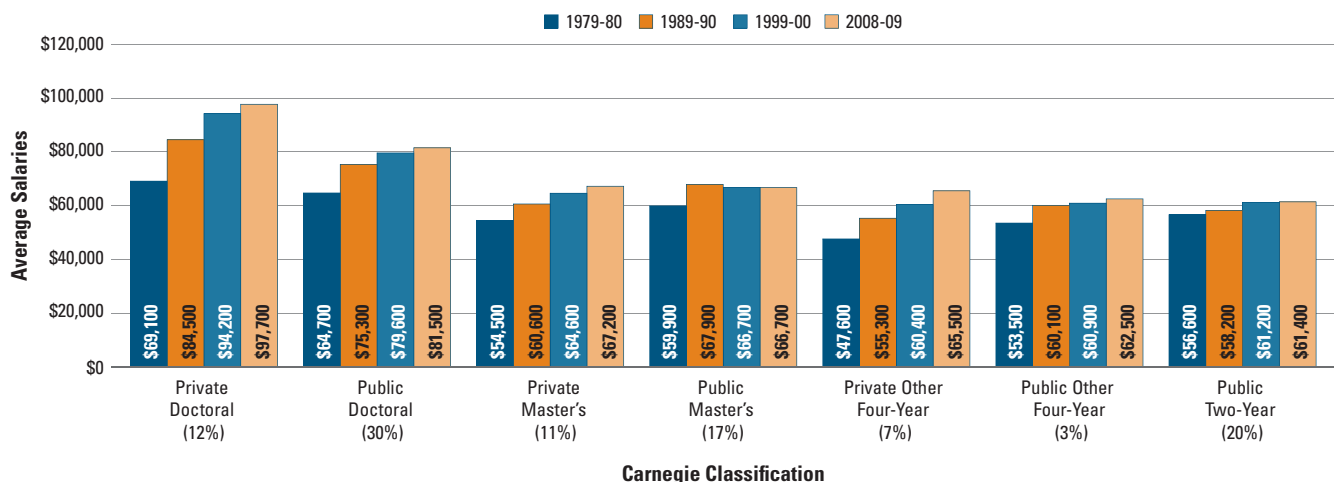
# Faculty and Staff

In 2008-09, average salaries of faculty at public doctoral universities were 17% lower than average salaries of faculty at private doctoral universities. In 1979-80, the difference was only 6%.

- Average faculty salaries at private doctoral institutions increased by 22% beyond inflation from 1979-80 to 1989-90, by 11% from 1989-90 to 1999-2000, and by 4% from 1999-2000 to 2008-09.
- Average faculty salaries at public doctoral institutions increased by 16% beyond inflation from 1979-80 to 1989-90, by 6% from 1989-90 to 1999-2000, and by 2% from 1999-2000 to 2008-09.
- The slowest growth in salaries has been for faculty at public two-year colleges, where average salaries increased by 3% beyond inflation from 1979-80 to 1989-90, 5% from 1989-90 to 1999-2000, and just kept pace with inflation from 1999-2000 to 2008-09.
- Within institutions, salaries differ by both faculty rank and discipline. In 2008-09, the average salary for full-time full professors was \$102,300. The average for assistant professors, who are generally in the first six or seven years of employment, was \$61,600. Full-time lecturers, who generally are not on the tenure track, received an average of \$51,200.

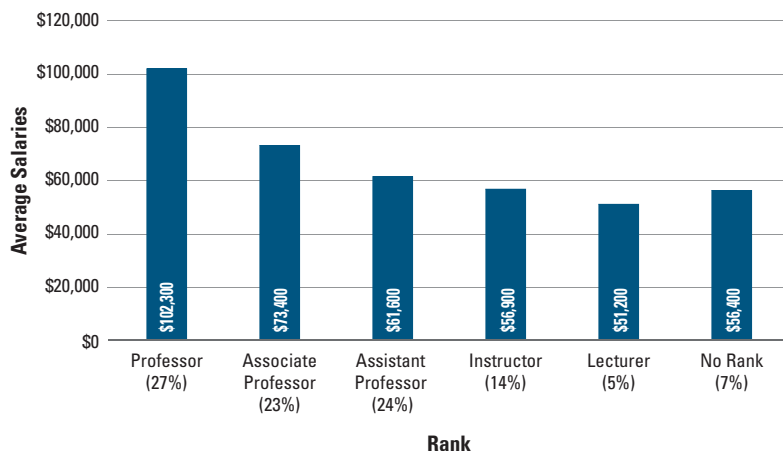
**FIGURE 22A**

Average Salaries of Full-Time Faculty on 9–10 Month Contracts by Carnegie Classification (and Percentage of Faculty in Each Sector), 1979-80 to 2008-09, in Constant 2008-09 Dollars



**FIGURE 22B**

Average Salaries of Full-Time Faculty on 9–10 Month Contracts by Rank (and Percentage of Faculty at Each Rank), 2008-09



## ALSO IMPORTANT:

- In fall 1979, 66% of faculty in degree-granting institutions were full-time. The percentage who were full-time declined to 60% in 1993 and 51% in 2007. (NCES, *Digest of Education Statistics 2009*, Table 249)
- In 1993-94, 59% of full-time faculty in public institutions with tenure systems and 50% of those in private institutions were tenured. By 2007-08, those percentages had declined to 51% and 45%, respectively. (NCES, *Digest of Education Statistics 2009*, Table 264)

SOURCE: NCES, *The Condition of Education 2010*, Indicator 44.

For detailed background data and additional information, please visit <http://trends.collegeboard.org>.



# Notes and Sources

## THE ANNUAL SURVEY OF COLLEGES

Prices described in this report are based on data reported to the College Board by colleges and universities in the *Annual Survey of Colleges*. Data for 2010-11 are from an online questionnaire distributed in October 2009, with data collected and reviewed through early September 2010. Tuition and fee figures are based on charges to full-time students over the course of a nine-month academic year of 30 semester hours or 45 quarter hours. For those institutions with tuition and fees that vary by year of study, weighted average undergraduate tuition levels are used in the analysis. We are not able to estimate differences in tuition and fees by program, but rely on average prices reported by institutions.

## ENROLLMENT-WEIGHTED AND UNWEIGHTED DATA

This report provides enrollment-weighted average prices. Charges reported by colleges with larger full-time enrollments are weighted more heavily than those of institutions with smaller enrollments. Unweighted average prices, with the charges of all reporting institutions treated equally, are available online at [trends.collegeboard.org](http://trends.collegeboard.org). The most recent enrollment data available are for fall 2009. For 2009-10 and earlier years, prices are weighted by same-year enrollments. For 2010-11, prices are weighted by fall 2009 enrollments. In other words, the percentage changes reported in Tables 1A and 1B reflect only price changes, not changes in enrollment patterns. In contrast, the historical data on changes in enrollment-weighted prices illustrated in Figures 4 and 5 reflect changes in both prices charged and in the distribution of full-time students across institutions.

## IN-STATE AND OUT-OF-STATE TUITION AND FEES

In-state tuition and fees are weighted by full-time enrollment. Out-of-state tuition and fees are calculated by adding the nonresident premium, weighted by full-time out-of-state enrollment, to average in-state tuition and fees.

## INSTITUTIONS INCLUDED IN CALCULATIONS

Out of the 3,517 public two-year, public four-year, private nonprofit four-year, and for-profit institutions that were surveyed in both 2009 and 2010, 2,993 were included in this year's analysis, including over 97% of the surveyed schools in the public and private nonprofit sectors and 43% of those in the for-profit sector. Our imputation process allows us to include schools for which we are missing one year of data. We exclude from our calculations military academies and other institutions that report zero tuition. Detailed information on the number of institutions included in the analysis for each sector is available online.

## REVISION OF BASE-YEAR VALUES

The prices for 2009-10 used in this analysis differ somewhat from the 2009-10 averages reported last year. One factor contributing to the revision is the reweighting of the prices, shifting from fall 2008 to fall 2009 full-time enrollment figures. The base-year numbers also shift because several hundred institutions submit revised tuition figures for the previous year. The recomputed average for 2009-10 tuition and fees at public four-year institutions is \$30 higher than the level we reported last year for in-state students and \$64 lower for out-of-state students. The recomputed average for 2009-10 tuition and fees is \$144 lower than the level we reported last year for private nonprofit four-year institutions and \$14 higher for public two-year institutions. Our estimate of the average 2009-10 price for for-profit students is \$918 lower than it was last year because of changes in full-time enrollment and changes in the number of institutions included in the calculations.

## NET PRICE CALCULATIONS

The calculations of average net price in Figure 7 for full-time undergraduate students are a best approximation and are based on the aggregate amounts of each type of aid reported in *Trends in Student Aid 2010* and on the allocation of each type of aid across institution types and between part-time and full-time students reported in 1993, 1996, 2000, 2004, and 2008 *National Postsecondary Student Aid Study (NPSAS)* data. The distribution of aid for 2009-10 and 2010-11 was modified to account for the large increase in Pell Grants in 2009-10. Because financial aid data for 2010-11 are not yet available, amounts for that year are estimated based on past years and information about changes in grant policies. Total charges for public two-year students include an estimate of housing and food expenses for students not living with their parents, based on commuter room and board expenses reported by institutions when available and derived from public four-year room and board charges for earlier years in the analysis. The net price estimates reported here are not exactly comparable to those that appeared in 2009 because some figures have been updated. Calculations of net price by income level in Figures 8A, 8B, 9A, and 9B are based on *NPSAS* data. In contrast to the annual average net price calculations in Figure 7, only grant aid is subtracted from published prices to yield net prices. Federal tax credits and deductions are not considered here. Grant totals do not match precisely those used in Figure 7, because *NPSAS* estimates differ somewhat from the data reported in *Trends in Student Aid 2010*.

## INSTITUTIONAL REVENUES AND EXPENDITURES

Figures 12A, 12B, and 13 are based on data from the Delta Cost Project. Delta data combine *Integrated Postsecondary Education Data System (IPEDS)* data with information from the Financial Institution Shared Assessment Program database beginning in 1994. Further details and the entire database are available at [www.deltacostproject.org](http://www.deltacostproject.org).

## ENDOWMENTS

Data on endowments are from the National Association of College and University Business Officers (NACUBO) and Commonfund Institute, supplemented by data from *IPEDS* for institutions for which NACUBO or Commonfund data are not available. Public university foundation endowment assets are included.

## INFLATION ADJUSTMENT

The Consumer Price Index for all urban consumers (CPI-U) is used to adjust for inflation. We use the CPI-U in July of the year in which the academic year begins. See [ftp://ftp.bls.gov/pub/special.requests/cpi/cpiat.txt](http://ftp.bls.gov/pub/special.requests/cpi/cpiat.txt) for changes in the CPI-U over time.

## CARNEGIE CLASSIFICATION 2005: BASIC CLASSIFICATION

"Doctoral universities" include institutions that award at least 20 doctoral degrees per year (excluding doctoral degrees that qualify recipients for entry into professional practice, such as the J.D., M.D., Pharm.D., DPT, etc.); "master's colleges and universities" include institutions that award at least 50 master's degrees per year; "bachelor's colleges" include institutions where bachelor's degrees represent at least 10% of all undergraduate degrees and that award fewer than 50 master's degrees or fewer than 20 doctoral degrees per year. All of the categories above exclude "special focus institutions" and "tribal colleges." For more details on data sources and methodology, please see the *Trends in College Pricing* website at <http://trends.collegeboard.org>.

*Trends in College Pricing* was authored by College Board independent policy analysts Sandy Baum and Jennifer Ma, with immeasurable assistance from Diane Cardenas-Elliott and Kathleen Payea.

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*Trends in College Pricing* and its companion report, *Trends in Student Aid*, are supplemented by a website that makes detailed data available for reference and downloading. The PDF versions of these reports, along with PowerPoint slides of all the graphs, are available on the Web: <http://trends.collegeboard.org>.

Hard copies may be ordered by contacting [cbadvocacy@collegeboard.org](mailto:cbadvocacy@collegeboard.org).

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#### ACKNOWLEDGMENTS

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#### DEFINING TERMS

According to the 1997 National Commission on the Cost of Higher Education, defining “cost,” “price,” and “subsidy” is critical to clarifying the issues in financing postsecondary education.

“Costs” refer to the expenditures associated with delivering instruction, including physical plant and salaries.

“Prices” are the expenses that students and parents face.

“Published price” is the price institutions charge for tuition and fees as well as room and board, in the case of students residing on campus. A full student expense budget also includes books, supplies, transportation, and other basic living costs.

“Net price” is what the student and/or family must cover after grant aid and savings from tax credits and deductions are subtracted.

“General subsidies” make it possible for institutions to charge less than the actual costs of instruction. State, federal, and local appropriations, as well as private philanthropy, reduce the prices faced by all students — whether or not they receive financial aid.



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