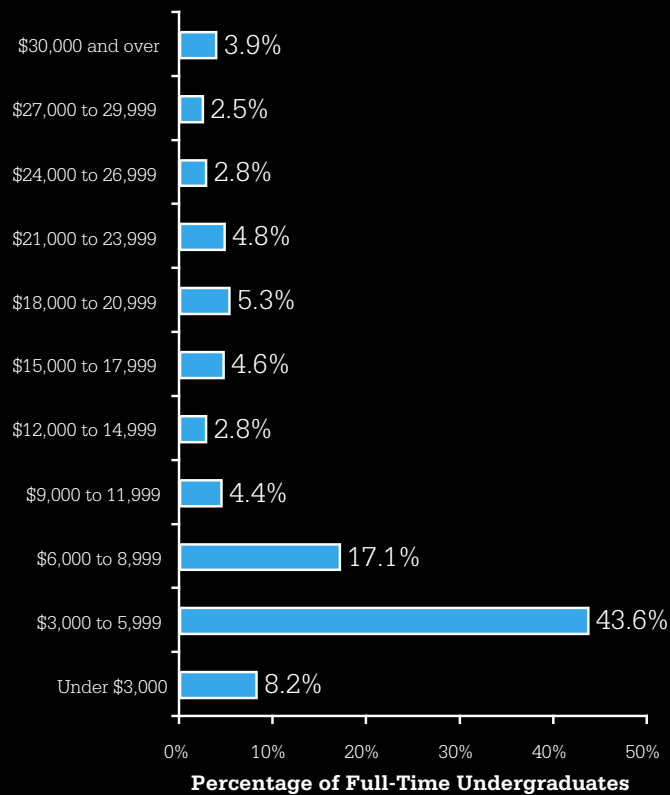


Trends in College Pricing 2004

Trends in Higher Education Series

FIGURE 1.

Distribution of Full-Time Undergraduates at Four-Year Institutions by Published Tuition and Fee Charges, 2004-05



Source: Annual Survey of Colleges, The College Board, New York, NY.



Introduction

This report, based on the College Board's Annual Survey of Colleges, provides up-to-date information on tuition and other expenses associated with attending public and private nonprofit institutions of postsecondary education in the United States. The Annual Survey is distributed to over 2,800 postsecondary institutions across the country, collecting a wealth of data on enrollment, admissions, degrees and majors, tuition, financial aid, and other aspects of undergraduate education.

Each fall the College Board releases the survey results on how much colleges and universities are charging undergraduate students in the new academic year. Simultaneously we release information from a counterpart survey conducted by the College Board, *Trends in Student Aid*.

Taken together, the companion reports, *Trends in College Pricing* and *Trends in Student Aid*, tell much about the financing of postsecondary educational opportunity in America. One provides the latest information on college charges. The other tracks the amount of financial assistance available to help pay these bills.

This year, the *Trends* reports are accompanied by a third publication, *Education Pays: Benefits of Higher Education for Individuals and Society*. The new report documents monetary and nonmonetary benefits of higher education, both for individuals and for society as a whole. It also sheds light on the distribution of these benefits by examining both the progress and the persistent gaps in participation in postsecondary education.

Scope of the Report

This edition of *Trends in College Pricing* presents data on two-year and four-year public and four-year private nonprofit institutions for the 2004-05 academic year. We no longer include data for two-year private nonprofit colleges, which now enroll only about 1 percent of all undergraduate students. We are also unable to report tuition figures for the for-profit sector, which enrolls between 3 percent and 5 percent of undergraduate students.

This report includes information on:

- Average published tuition, fees, and room and board for undergraduates; dollar and percentage changes from 2003-04 to 2004-05, calculated both weighted by full-time enrollments (Table 1) and as simple institutional averages (Table 7);
- Average other student expenses, including books and supplies, commuter room and board, and transportation (Tables 2, 3, and 5);
- The proportion of students enrolled in four-year colleges charging different levels of tuition (Figures 1 and 3);
- The distribution of the dollar and percentage tuition and fee increases for 2004-05 facing students enrolled in four-year public and four-year private colleges (Figure 4);
- Historical data on published tuition, fees, room and board (Tables 4 and 7, Figure 5);
- Differences in charges by regions of the country (Tables 5 and 6; Figure 6);
- Changes over time in published charges compared to the net price paid by the average student after accounting for grant aid and federal education tax benefits (Figures 7 and 8);
- Changes in the net price of attending college relative to family incomes (Figure 9);
- Information on total enrollment and full-time enrollment by institutional type (Figure 10);
- The relationship between changes in state appropriations for instruction at public colleges and universities and changes in tuition levels at four-year public institutions (Figure 11); and
- Data on the breakdown of institutional expenditures in the public sector and on changes over time in the revenue sources of public colleges and universities (Figures 12 and 13).

In past years, *Trends in College Pricing* included data on postsecondary enrollment rates by income, race, and gender, as well as information on the relationship between earnings and educational attainment levels. This year, these issues are covered instead in *Education Pays*.

Last year, for the first time, we added data on the average price of college net of grant aid to our information on the published price of college. We again include this calculation, this year also accounting for federal education tax benefits; we supplement it with data on changes over the 1990s in the net price of college relative to income for families at different levels of the income distribution.

We have also added information on the revenue and expenditure patterns of public colleges and universities. We are unable to include this information for the private nonprofit sector because the data are not readily available.

While the information reported here provides a best approximation of trends in college charges over time, we 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 assure that this year's average is compared to the average last year for exactly the same set of schools. This year, we have also implemented some methodological changes to improve the accuracy of our estimates. These changes allow us to include a more complete set of institutions in our analysis. As a result, while the average tuition and fee level we report here for 2003-04 at public two-year colleges is almost identical to last year's estimate, and the level for public four-year colleges is just 1 percent lower, we have revised our estimate of 2003-04 tuition and fees at private four-year colleges downward by almost 4 percent. Because we are now able to include a number of relatively inexpensive institutions that were previously omitted, the average price is lower. There is not, however, a significant impact on estimated annual percentage changes.

Details relating to this methodology and to other technical issues and data reliability can be found at the end of the report, in the section on *Notes and Sources*.

This report was authored by College Board Senior Policy Analyst Sandy Baum and consultant Kathleen Payea. We welcome reader comments and suggestions on these *Trends* reports. Visit College Board on the Web at www.collegeboard.com and click on Educators for an electronic version of this document and its counterpart, *Trends in Student Aid 2004*.

Highlights

2004-05 Tuition, Fees, Room and Board

For the 2004-05 academic year, the average tuition and fees for in-state students at public four-year colleges and universities is \$5,132, up \$487 from \$4,645 in 2003-04, an increase of 10.5 percent. Because room and board charges increased at the lower rate of 5.7 percent, the increase in the average total charges at four-year public colleges and universities for 2004-05 was 7.8 percent, up \$824 to \$11,354. This constitutes a 5.9 percent increase in inflation-adjusted dollars. These averages are weighted by full-time undergraduate enrollment, so that the tuition and fee levels at larger institutions receive more weight in the average than those at smaller colleges and universities.

Tuition and fees at public two-year colleges, averaging \$2,076 in 2004-05, are only about 40 percent of those at public four-year institutions. This year's \$167 increase represents a rise of 8.7 percent, smaller than both last year's increase and the increase at four-year public institutions, but still large by historical standards.

For the third year in a row, private colleges posted smaller percentage increases in their tuition and fees than public colleges. Average private four-year college tuition and fees rose by 6.0 percent or \$1,132, from \$18,950 to \$20,082. The total charges, including room and board in addition to tuition and fees, are now \$27,516, up \$1,459 or 5.6 percent from \$26,057 in 2003-04. (Tables 1 and 4)

Variation in Tuition and Fee Levels

Average charges do not describe the circumstances of most college students. In addition to the fact that, as described below, many students pay less than the published price, there is considerable variation across institutions, even within sectors. There is a range of about \$31,000 between the lowest and highest tuition and fee levels in the private four-year sector and \$11,000 in the public four-year sector. Even in the public two-year sector, a small number of institutions have tuition and fee levels significantly above the average, while some students pay under \$500 a year. (Figure 2)

About three quarters of the full-time undergraduates in public four-year institutions face tuition and fee levels below \$6,000, whereas only about one-quarter of those in the private sector are enrolled in institutions with published tuition and fee levels lower than \$15,000. Only 4 percent of full-time undergraduates in public four-year institutions face tuition and fee levels of \$9,000 or higher, whereas 30 percent of those in the private sector are enrolled in institutions with published tuition and fee levels of \$24,000 or higher.

Variation in Dollar and Percentage Increases

There is also considerable variation in both dollar and percentage changes in tuition and fee levels. A few institutions have announced significant cuts in their published prices. While 87 percent of the full-time students in private four-year colleges are enrolled in institutions that posted tuition and fee increases between 3 percent and 9 percent this year, there was much more variation in the public sector. Twenty-five percent of students faced increases of less than 6 percent, whereas 13 percent faced increases of 15 percent or more.

Dollar increases in both sectors show considerable variation. About 20 percent of students in public four-year institutions faced tuition and fee increases below \$200, but 5 percent are at schools that charge at least \$1,000 more than they did in 2003-04. Eleven percent of students in private four-year institutions saw tuition and fee increases of less than \$400 and 16 percent faced increases of \$1,600 or more. (Figures 4a and 4b)

Tuition and Fee Trends

In the 1970s there was little, if any, real growth in college prices. In the early 1980s, however, tuition and fees began to grow much more rapidly than consumer prices. In constant 2004 dollars, over the 10-year period ending in 2004-05, average tuition and fees rose 51 percent (\$1,725) at public four-year colleges and universities, 36 percent (\$5,321) at private four-year colleges, and 26 percent (\$426) at two-year public colleges. The dollar increases over the decade, without adjusting for inflation, were \$2,427, \$8,363, and \$766, respectively.

When total charges, including room and board in addition to tuition and fees, are considered, the percentage increases have been somewhat smaller, particularly in the public four-year sector, where the real increase over the decade was 36 percent, compared to 51 percent for tuition and fees alone. Total charges at private four-year colleges and universities were 32 percent higher in inflation-adjusted dollars in 2004-05 than they were a decade earlier.

In the private sector, the most rapid increases in published tuition and fee levels occurred during the 1980s. At public four-year institutions, there were relatively large increases in the early 1980s and again in the early 1990s. However, the 20 percent increase in inflation-adjusted dollars over the past two years, from 2002-03 to 2004-05, is sharper than the previous spikes. Although the increases in tuition levels at two-year public colleges have been high in percentage terms the last two years, the \$400 increase between 2002-03 and 2004-05 follows a decade of fairly stable prices in that sector. (Table 4, Figure 5)

<h3>Regional Differences</h3>	<p>Both tuition and fee levels and their rates of growth differ significantly across the country. After more than doubling in real terms over the past decade, public four-year tuition and fees in the Southwest still average only \$4,569, compared to \$5,132 for the nation as a whole and \$6,839 in New England. Public four-year institutions in the West, which have the lowest average tuition and fees (\$4,130) and those in New England, which have the highest average tuition and fees, grew by only about a third in inflation-adjusted dollars over the decade. At \$25,660, private four-year tuition and fees are also highest in New England. The inflation-adjusted growth rate in this region over the past decade has, however, been 31 percent, compared to 36 percent nationally and 47 percent in the Southwest.</p> <p>Two-year public sector tuition and fees are lowest in the West, where they average \$1,297, and highest in the Middle States region, where they average \$3,242. The most rapid growth in this sector over the past decade has been in the relatively low-priced South and Southwest, where public two-year tuition and fees increased by 56–57 percent between 1994-95 and 2004-05. The increase in public two-year college tuition and fees to \$3,086 in New England represents a real increase of only 11 percent over the decade.</p> <p>Room and board charges also vary across the country. Despite the relatively low public four-year tuition and fees in the West, total charges (\$11,839), including room and board, are higher than those in the South and Southwest, and comparable to those in the Midwest. (Tables 5 and 6; Figure 6)</p>
<h3>What Students Actually Pay</h3>	<p>Almost 60 percent of undergraduate students and about three-quarters of full-time undergraduates receive some form of financial aid to help them pay for college. While a significant portion of this aid is in the form of loans, frequently subsidized by the federal government, over \$46 billion of grant aid was distributed to college students by federal and state governments and by colleges and universities for the 2003-04 academic year. (See <i>Trends in Student Aid 2004</i>, for details.) About 60 percent of full-time undergraduates receive grant aid, and about 10 million taxpayers benefit from federal education tax credits or tuition and fee deductions. In other words, for the majority of students, the actual price of college is lower than the published price. Our estimates suggest that in 2003-04, the combination of grant aid and federal tax benefits averaged about \$2,300 per student in two-year public colleges, over \$3,300 at public four-year institutions, and about \$9,400 per student at private four-year institutions.</p> <p>Figure 7 illustrates the role of grant aid and education tax benefits, comparing the published tuition and fee charges to the price net of these subsidies. The average two-year public college student receives grant aid that covers the entire tuition amount, and net tuition has declined over the past decade. However, tuition represents a relatively small percentage of the cost of attendance in this sector. After accounting for the average combined grant aid and education tax benefits per enrolled student, net tuition and fees at public four-year institutions averaged about \$1,300 in 2003-04, less in inflation-adjusted dollars than a decade earlier. However, the 2004-05 tuition and fee increases raised the net price to about \$1,800, absent a significant increase in student aid. At private four-year colleges and universities, the combination of grant aid from all sources and federal education tax benefits reduced the tuition and fees paid by the average student from the published level of \$18,950 to about \$9,600 in 2003-04. If the 2003-04 average aid amount is applied to the 2004-05 tuition and fee level of \$20,082, students at four-year private institutions are paying an average net price of just over \$10,700. These averages conceal the reality that the distribution of grant aid has changed in recent years, with a declining share of grants being awarded to the lowest income students.</p> <p>Despite the changing distribution of grant aid, which is discussed in more detail in <i>Trends in Student Aid</i>, calculations from the National Center for Education Statistics indicate that tuition net of grant aid for the lowest income students rose as a share of income only at public two-year colleges between 1989-90 and 1999-00. Still, the share of family income consumed by both net tuition and net total cost of attendance is highest for the lowest income families. (Figure 9)</p>
<h3>Enrollments</h3>	<p>Almost half of all full-time undergraduate students attend four-year public institutions and another quarter are enrolled in two-year public colleges. Because of the prevalence of part-time enrollment in two-year colleges, this sector claims 44 percent of total head count enrollments, higher than the four-year sector. In other words, 73 percent of full-time students and 80 percent of students overall are in public colleges and universities. The growing for-profit sector enrolls 5 percent of full-time students and the two-year private nonprofit sector enrolls less than 1 percent. (Figure 10)</p>
<h3>Public Sector Finances</h3>	<p>Public college and university charges are sensitive to the level of funding provided by state governments. As Figure 11 shows, state appropriations are cyclical. Appropriations per full-time equivalent student (FTE) declined for six consecutive years, beginning in 1986-87, resulting in a 14 percent decline from 1986-87 to 1992-93. The increases in succeeding years generated a 19 percent increase in real appropriations per FTE between 1993-94 and 2000-01. However, because of recent declines in state funding for higher education, appropriations per FTE declined by 9 percent in constant dollars between 2000-01 and 2002-03. Tuition and fees also tend to move cyclically, rising more rapidly when state appropriations decrease or grow at relatively slow rates.</p> <p>Public colleges and universities receive a significant portion of their revenues from state appropriations, which now total about \$60 billion per year. However, the portion of institutional revenues coming from government appropriations has declined from 50 percent in 1980 to 43 percent in 1990 and 36 percent in 2000 (Figure 12). Over the same time period, tuition and fees rose from 13 percent to 18 percent of revenues.</p>

Table 1. Average Published Charges for Undergraduates, 2004-05
(Enrollment-Weighted)

Sector	Tuition and Fees				Room and Board				Total Charges			
	2004-05	2003-04	\$ Change	% Change	2004-05	2003-04	\$ Change	% Change	2004-05	2003-04	\$ Change	% Change
Two-Year Public	\$2,076	\$1,909	\$167	8.7%	*	*	*	*	*	*	*	*
Four-Year Public	\$5,132	\$4,645	\$487	10.5%	\$6,222	\$5,885	\$337	5.7%	\$11,354	\$10,530	\$824	7.8%
Four-Year Private	\$20,082	\$18,950	\$1,132	6.0%	\$7,434	\$7,107	\$327	4.6%	\$27,516	\$26,057	\$1,459	5.6%

Table 2. Average Other Student Budget Components, 2004-05
(Enrollment-Weighted)

Sector	All Students	Resident Students		Commuter Students		
	Books/Supplies	Trans.	Other	Room and Board**	Trans.	Other
Two-Year Public	\$773	*	*	\$5,747	\$1,146	\$1,608
Four-Year Public	\$853	\$774	\$1,659	\$6,177	\$1,109	\$1,943
Four-Year Private	\$870	\$671	\$1,238	\$6,617	\$1,031	\$1,524

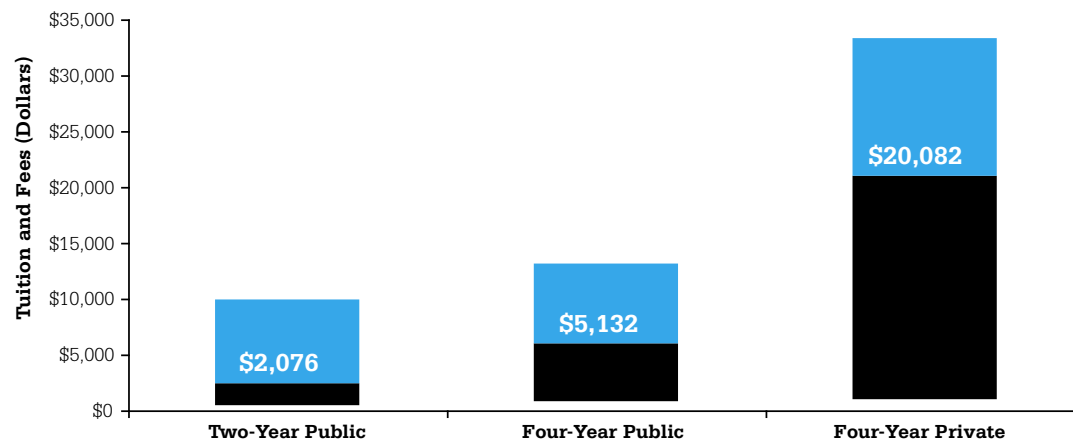
*Sample too small to provide meaningful information.

Room and board costs for commuter students are average expenses for students living off campus but not with parents. These are not fixed institutional charges as reflected in Table 1, but rather estimated local living expenses for off campus students as reported by institutions in the Annual Survey of Colleges. These are **enrollment-weighted averages, intended to reflect the average costs that full-time undergraduate students face in various types of institutions. Tuition and fees are weighted by the number of full-time undergraduate students; room and board charges are weighted by the number of students residing on campus or off campus. Four-year public tuition and fee levels are based on in-state charges only.

Source: Annual Survey of Colleges, The College Board, New York, NY.

Figure 2. Average and Range of Published Tuition and Fee Charges, 2004-05
(Enrollment-Weighted)

The top of each bar indicates the highest level of tuition and fees charged by any institution in the sector; the bottom of the bar indicates the lowest charge. The average published tuition and fee level is marked inside the bar.



Source: Annual Survey of Colleges, The College Board, New York, NY.

Table 3. Sample Average Undergraduate Budgets, 2004-05
(Enrollment-Weighted)

Sector	Tuition and Fees	Books and Supplies	Room and Board	Transportation	Other Expenses	Total ** Expenses
Two-Year Public						
Resident	\$2,076	\$773	*	*	*	*
Commuter	\$2,076	\$773	\$5,747	\$1,146	\$1,608	\$11,350
Four-Year Public						
Resident	\$5,132	\$853	\$6,222	\$774	\$1,659	\$14,640
Commuter	\$5,132	\$853	\$6,177	\$1,109	\$1,943	\$15,214
Out-of-State	\$12,423	\$853	\$6,222	\$774	\$1,659	\$21,931
Four-Year Private						
Resident	\$20,082	\$870	\$7,434	\$671	\$1,238	\$30,295
Commuter	\$20,082	\$870	\$6,617	\$1,031	\$1,524	\$30,124

*Sample too small to provide meaningful information.

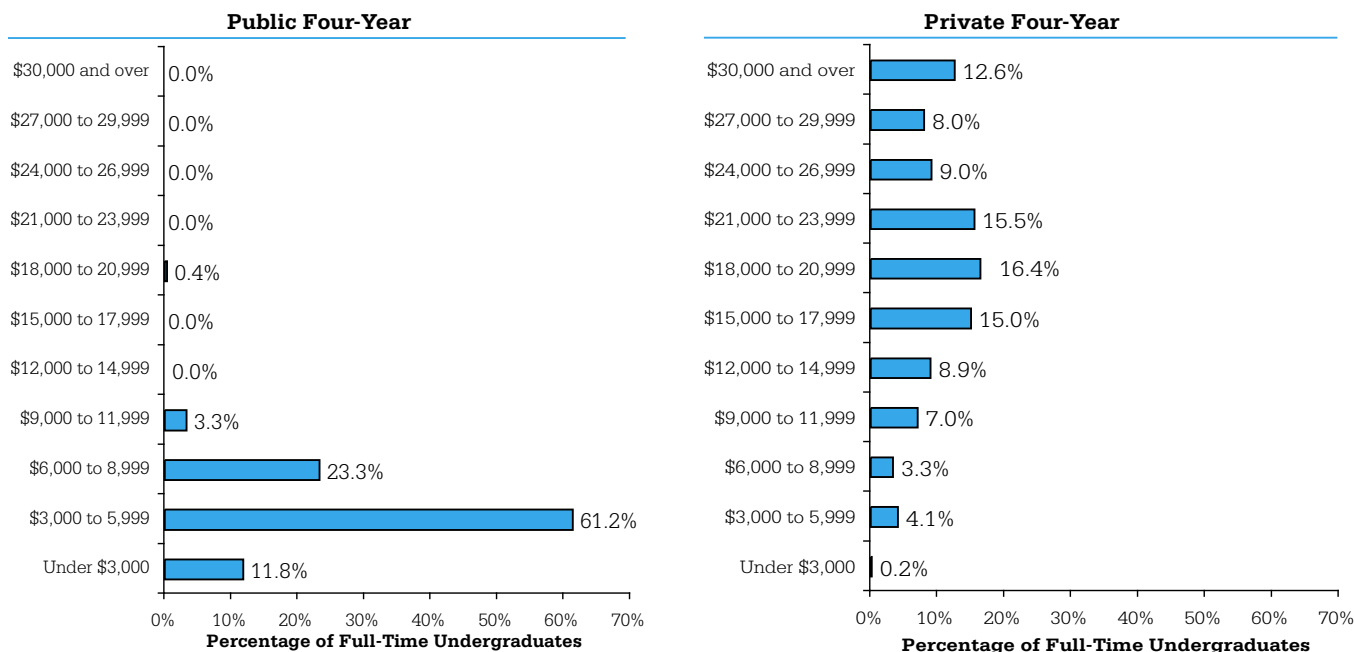
**Average total expenses include room and board costs for commuter students, which are average estimated living expenses for students living off campus but not with parents. These are estimated average student expenses as reported by institutions in the Annual Survey of Colleges.

These are **enrollment-weighted averages**, intended to reflect the average costs that full-time undergraduate students face in various types of institutions. Tuition and fees are weighted by the number of full-time undergraduate students; room and board charges are weighted by the number of students residing on campus or off campus.

Source: Annual Survey of Colleges, The College Board, New York, NY.

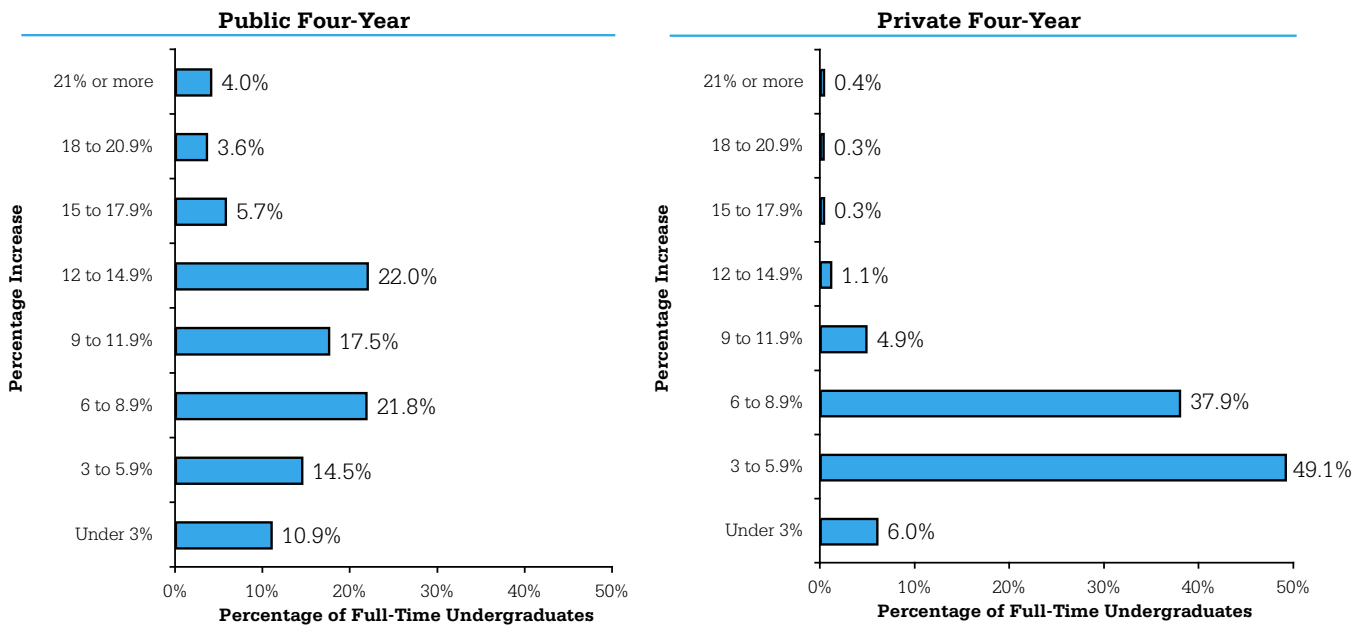
Figure 3. Distribution of Full-Time Undergraduates at Public and Private Four-Year Institutions by Published Tuition and Fee Charges, 2004-05

The cover graphic on this report shows the distribution of full-time undergraduates at all four-year colleges and universities, by tuition and fees charged. These graphics divide this overall picture into separate distributions for public and private institutions.



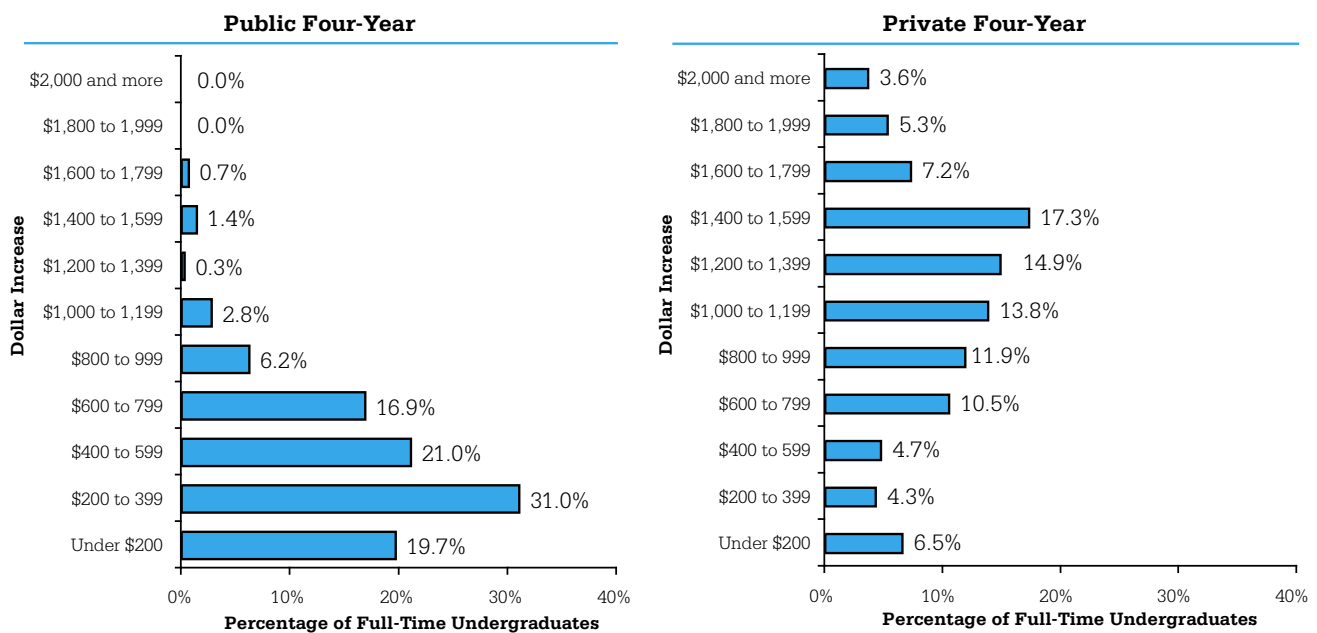
Source: Annual Survey of Colleges, The College Board, New York, NY.

Figure 4a. Distribution of Full-Time Undergraduates at Public and Private Four-Year Institutions by Percent Increase in Published Tuition and Fee Charges, 2004-05



Source: Annual Survey of Colleges, The College Board, New York, NY.

Figure 4b. Distribution of Full-Time Undergraduates at Public and Private Four-Year Institutions by Dollar Increase in Published Tuition and Fee Charges, 2004-05



Source: Annual Survey of Colleges, The College Board, New York, NY.

Table 4a. Average Published Tuition and Fee Charges, 1976-77 to 2004-05
(Enrollment-Weighted)

Academic Year	Tuition and Fees—Current Dollars						Tuition and Fees—Constant (2004) Dollars					
	Private		Public		Public		Private		Public		Public	
	Four-Year	% Chg	Four-Year	% Chg	Two-Year	% Chg*	Four-Year	% Chg	Four-Year	% Chg	Two-Year	% Chg*
76-77	\$2,534		\$617		\$283		\$8,179		\$1,992		\$913	
77-78	\$2,700	7%	\$655	6%	\$306		\$8,167	0%	\$1,981	-1%	\$926	
78-79	\$2,958	10%	\$688	5%	\$327	8%	\$8,181	0%	\$1,903	-4%	\$904	-2%
79-80	\$3,225	9%	\$738	7%	\$355	9%	\$7,870	-4%	\$1,801	-5%	\$866	-3%
80-81	\$3,617	12%	\$804	9%	\$391	10%	\$7,910	1%	\$1,758	-2%	\$855	-1%
81-82	\$4,113	14%	\$909	13%	\$434	10%	\$8,280	5%	\$1,830	4%	\$874	2%
82-83	\$4,639	13%	\$1,031	13%	\$473	11%	\$8,954	8%	\$1,990	9%	\$913	5%
83-84	\$5,093	10%	\$1,148	11%	\$528	10%	\$9,480	6%	\$2,137	7%	\$983	6%
84-85	\$5,556	9%	\$1,228	7%	\$584	11%	\$9,952	5%	\$2,200	3%	\$1,046	7%
85-86	\$6,121	10%	\$1,318	7%	\$641	8%	\$10,657	7%	\$2,295	4%	\$1,116	5%
86-87	\$6,658	9%	\$1,414	7%	\$660	8%	\$11,340	6%	\$2,408	5%	\$1,124	5%
87-88	\$7,048	6%	\$1,485	5%	\$739	8%	\$11,526	2%	\$2,429	1%	\$1,209	4%
88-89	\$8,004	14%	\$1,578	6%	\$799	8%	\$12,512	9%	\$2,467	2%	\$1,249	4%
89-90	\$8,663	8%	\$1,696	7%	\$841	7%	\$12,925	3%	\$2,530	3%	\$1,255	2%
90-91	\$9,340	8%	\$1,908	13%	\$906	14%	\$13,213	2%	\$2,699	7%	\$1,282	9%
91-92	\$9,812	5%	\$2,107	10%	\$1,171	11%	\$13,450	2%	\$2,888	7%	\$1,605	7%
92-93	\$10,448	6%	\$2,334	11%	\$1,116	12%	\$13,888	3%	\$3,102	7%	\$1,483	9%
93-94	\$11,007	5%	\$2,535	9%	\$1,245	4%	\$14,262	3%	\$3,285	6%	\$1,613	1%
94-95	\$11,719	6%	\$2,705	7%	\$1,310	6%	\$14,761	4%	\$3,407	4%	\$1,650	3%
95-96	\$12,216	4%	\$2,811	4%	\$1,330	6%	\$14,979	1%	\$3,447	1%	\$1,631	3%
96-97	\$12,994	6%	\$2,975	6%	\$1,465	6%	\$15,491	3%	\$3,547	3%	\$1,747	4%
97-98	\$13,785	6%	\$3,111	5%	\$1,567	5%	\$16,147	4%	\$3,644	3%	\$1,835	3%
98-99	\$14,709	7%	\$3,247	4%	\$1,554	4%	\$16,950	5%	\$3,742	3%	\$1,791	2%
99-00	\$15,518	6%	\$3,362	4%	\$1,649	2%	\$17,384	3%	\$3,766	1%	\$1,847	-1%
00-01	\$16,072	4%	\$3,508	4%	\$1,642	1%	\$17,390	0%	\$3,796	1%	\$1,777	-1%
01-02	\$17,377	8%	\$3,766	7%	\$1,608	1%	\$18,475	6%	\$4,004	5%	\$1,710	-2%
02-03	\$18,060	4%	\$4,098	9%	\$1,674	5%	\$18,788	2%	\$4,263	6%	\$1,741	3%
03-04	\$18,950	5%	\$4,645	13%	\$1,909	9%	\$19,292	3%	\$4,729	11%	\$1,943	7%
04-05	\$20,082	6%	\$5,132	10%	\$2,076	9%	\$20,082	4%	\$5,132	9%	\$2,076	7%

*Because of instability in the sample, percent change for public two-year institutions is a three-year rolling average.

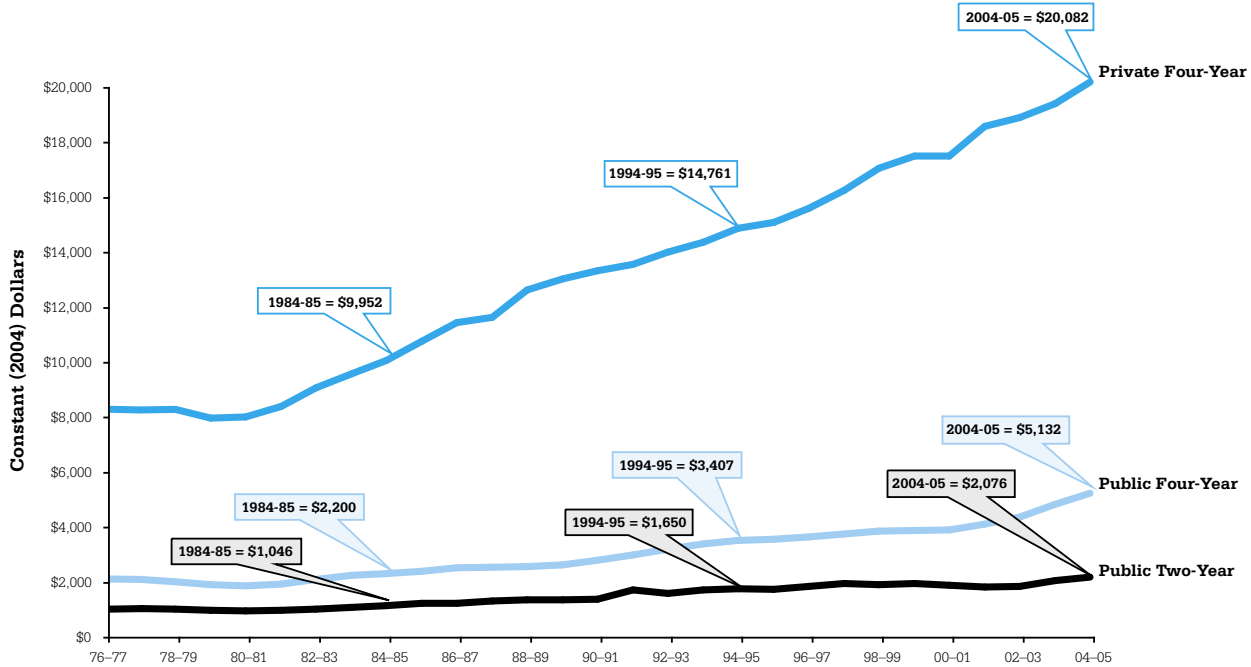
Source: 1987-88 to 2004-05: data from Annual Survey of Colleges, The College Board, New York, NY, weighted by full-time undergraduate enrollment; 1976-77 to 1986-87: data from Integrated Postsecondary Education Data System (IPEDS), U.S. Department of Education, National Center for Education Statistics, weighted by full-time equivalent undergraduate enrollment.

Table 4b. Average Published Tuition, Fee, Room and Board (TFRB) Charges at Four-Year Institutions, 1976-77 to 2004-05 (Enrollment-Weighted)

Academic Year	Total Charges—Current Dollars				Total Charges—Constant (2004) Dollars			
	Private Four-Year	% Chg	Public Four-Year	% Chg	Private Four-Year	% Chg	Public Four-Year	% Chg
76-77	\$3,977		\$1,936		\$12,837		\$6,249	
77-78	\$4,240	7%	\$2,038	5%	\$12,825	0%	\$6,164	-1%
78-79	\$4,610	9%	\$2,145	5%	\$12,750	-1%	\$5,932	-4%
79-80	\$5,013	9%	\$2,328	9%	\$12,233	-4%	\$5,681	-4%
80-81	\$5,594	12%	\$2,551	10%	\$12,234	0%	\$5,579	-2%
81-82	\$6,330	13%	\$2,870	13%	\$12,743	4%	\$5,778	4%
82-83	\$7,126	13%	\$3,196	11%	\$13,755	8%	\$6,169	7%
83-84	\$7,759	9%	\$3,433	7%	\$14,442	5%	\$6,390	4%
84-85	\$8,451	9%	\$3,682	7%	\$15,137	5%	\$6,595	3%
85-86	\$8,902	5%	\$3,791	3%	\$15,498	2%	\$6,600	0%
86-87	\$9,852	11%	\$4,050	7%	\$16,780	8%	\$6,898	5%
87-88	\$10,455	6%	\$4,199	4%	\$17,098	2%	\$6,867	0%
88-89	\$11,660	12%	\$4,455	6%	\$18,227	7%	\$6,964	1%
89-90	\$12,557	8%	\$4,715	6%	\$18,735	3%	\$7,035	1%
90-91	\$13,476	7%	\$5,074	8%	\$19,064	2%	\$7,178	2%
91-92	\$14,188	5%	\$5,452	7%	\$19,448	2%	\$7,473	4%
92-93	\$15,027	6%	\$5,834	7%	\$19,974	3%	\$7,755	4%
93-94	\$15,795	5%	\$6,212	6%	\$20,465	2%	\$8,049	4%
94-95	\$16,498	4%	\$6,620	7%	\$20,780	2%	\$8,338	4%
95-96	\$17,382	5%	\$6,743	2%	\$21,314	3%	\$8,268	-1%
96-97	\$18,357	6%	\$7,142	6%	\$21,885	3%	\$8,515	3%
97-98	\$19,360	5%	\$7,469	5%	\$22,677	4%	\$8,749	3%
98-99	\$20,463	6%	\$7,769	4%	\$23,581	4%	\$8,953	2%
99-00	\$21,475	5%	\$8,080	4%	\$24,057	2%	\$9,051	1%
00-01	\$22,240	4%	\$8,439	4%	\$24,064	0%	\$9,131	1%
01-02	\$23,856	7%	\$9,032	7%	\$25,363	5%	\$9,603	5%
02-03	\$24,867	4%	\$9,672	7%	\$25,870	2%	\$10,062	5%
03-04	\$26,057	5%	\$10,530	9%	\$26,527	3%	\$10,720	7%
04-05	\$27,516	6%	\$11,354	8%	\$27,516	4%	\$11,354	6%

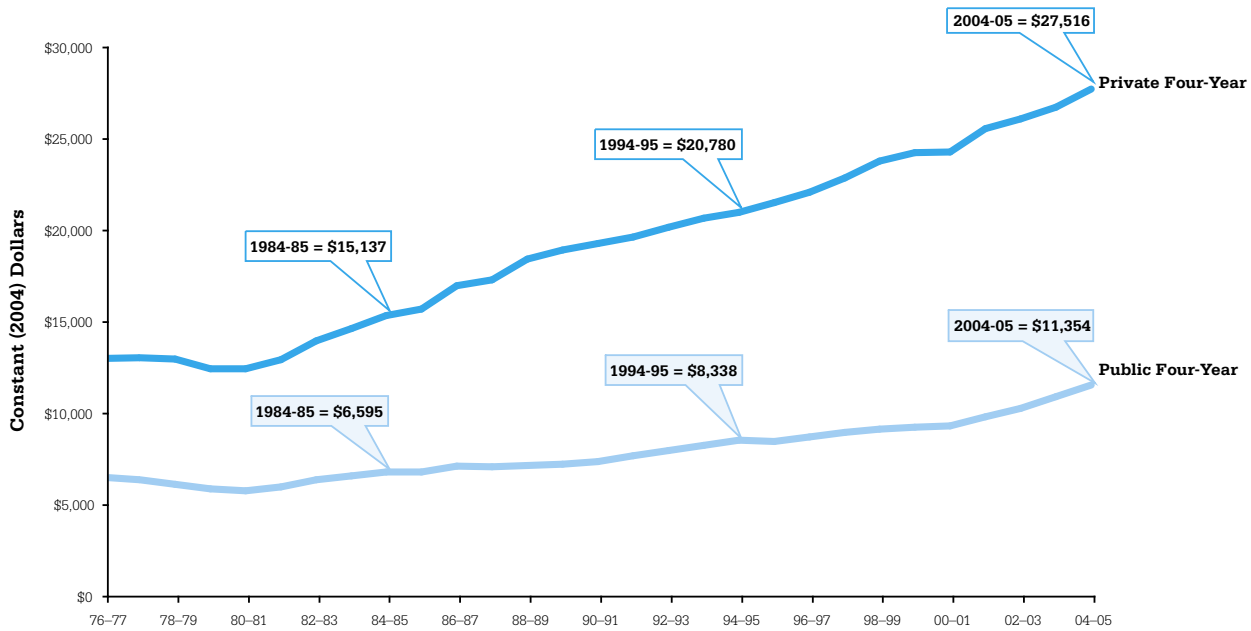
Source: 1987-88 to 2004-05: data from Annual Survey of Colleges, The College Board, New York, NY, weighted by full-time undergraduate enrollment; 1976-77 to 1986-87: data from Integrated Postsecondary Education Data System (IPEDS), U.S. Department of Education, National Center for Education Statistics, weighted by full-time equivalent undergraduate enrollment.

Figure 5a. Average Published Tuition and Fee Charges, in *Constant (2004) Dollars*, 1976-77 to 2004-05 (Enrollment-Weighted)



Source: See Table 4a.

Figure 5b. Average Published TFRB Charges at Four-Year Institutions, in *Constant (2004) Dollars*, 1976-77 to 2004-05 (Enrollment-Weighted)



Source: See Table 4b.

Table 5. *Average Student Expenses by College Board Region, 2004-05
(Enrollment-Weighted)*

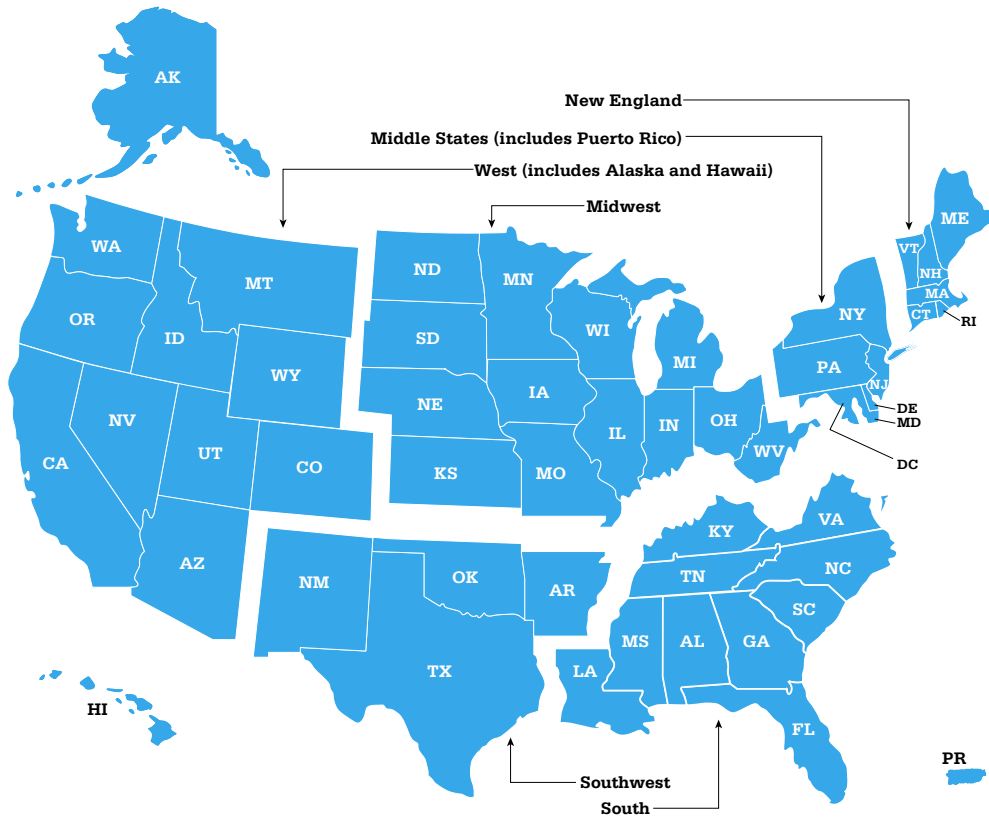
				Resident			Commuter		
	Tuition and Fees	Additional Out-of-District/ State Charges	Books and Supplies	Room and Board	Trans.	Other Costs	Room and Board *	Trans.	Other Costs
National									
2-yr public	\$2,076	\$4,037	\$773	—	—	—	\$5,747	\$1,146	\$1,608
4-yr public	\$5,132	\$7,291	\$853	\$6,222	\$774	\$1,659	\$6,177	\$1,109	\$1,943
4-yr private	\$20,082		\$870	\$7,434	\$671	\$1,238	\$6,617	\$1,031	\$1,524
New England									
2-yr public	\$3,086	\$4,963	\$750	—	—	—	\$5,914	\$1,148	\$1,554
4-yr public	\$6,839	\$7,447	\$741	\$6,677	\$518	\$1,324	\$6,228	\$887	\$1,468
4-yr private	\$25,660		\$850	\$8,851	\$494	\$1,141	\$7,403	\$871	\$1,178
Middle States									
2-yr public	\$3,242	\$3,555	\$770	—	—	—	\$5,719	\$1,048	\$1,407
4-yr public	\$6,300	\$5,796	\$828	\$7,033	\$551	\$1,470	\$6,121	\$839	\$1,942
4-yr private	\$21,439		\$855	\$8,506	\$554	\$1,145	\$7,341	\$953	\$1,447
South									
2-yr public	\$1,953	\$4,034	\$736	—	—	—	\$5,139	\$1,435	\$1,383
4-yr public	\$4,143	\$8,227	\$814	\$5,456	\$1,009	\$1,582	\$6,020	\$1,222	\$1,935
4-yr private	\$17,317		\$859	\$6,499	\$868	\$1,338	\$5,968	\$1,231	\$1,624
Midwest									
2-yr public	\$2,514	\$4,275	\$765	—	—	—	\$5,137	\$1,172	\$1,588
4-yr public	\$6,085	\$7,132	\$752	\$5,776	\$646	\$1,762	\$5,407	\$1,063	\$1,916
4-yr private	\$18,690		\$850	\$6,300	\$667	\$1,163	\$5,796	\$1,040	\$1,609
Southwest									
2-yr public	\$1,477	\$2,242	\$704	\$3,445	\$774	\$1,173	—	\$1,300	\$1,576
4-yr public	\$4,569	\$6,302	\$817	\$5,542	\$1,122	\$1,793	\$5,362	\$1,409	\$1,978
4-yr private	\$15,867		\$876	\$5,854	\$867	\$1,330	\$5,320	\$1,171	\$1,431
West									
2-yr public	\$1,297	\$4,562	\$846	—	—	—	\$6,485	\$935	\$1,907
4-yr public	\$4,130	\$9,104	\$1,094	\$7,709	\$876	\$1,882	\$7,359	\$1,087	\$2,029
4-yr private	\$19,998		\$985	\$7,657	\$668	\$1,627	\$7,246	\$903	\$1,650

Note: Dashes indicate that the sample was too small to provide meaningful information. Data are enrollment-weighted, with the exception of Additional Out-of-District (for 2-yr public) and Out-of-State (for 4-yr public) charges, which are unweighted.

* Room and board costs for commuter students are average estimated living expenses for students living off campus but not with parents as reported by institutions in the Annual Survey of Colleges.

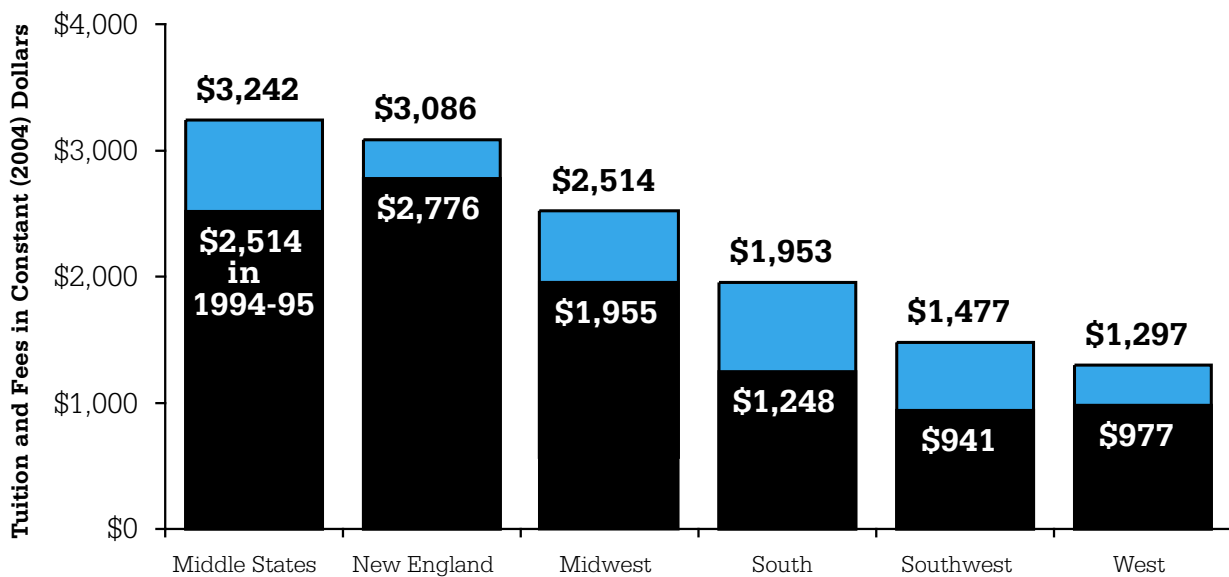
Source: Annual Survey of Colleges, The College Board, New York, NY.

Figure 6. Tuition and Fee Charges by College Board Region and Institution Type, 1994-95 and 2004-05, in *Constant (2004) Dollars* (Enrollment-Weighted)



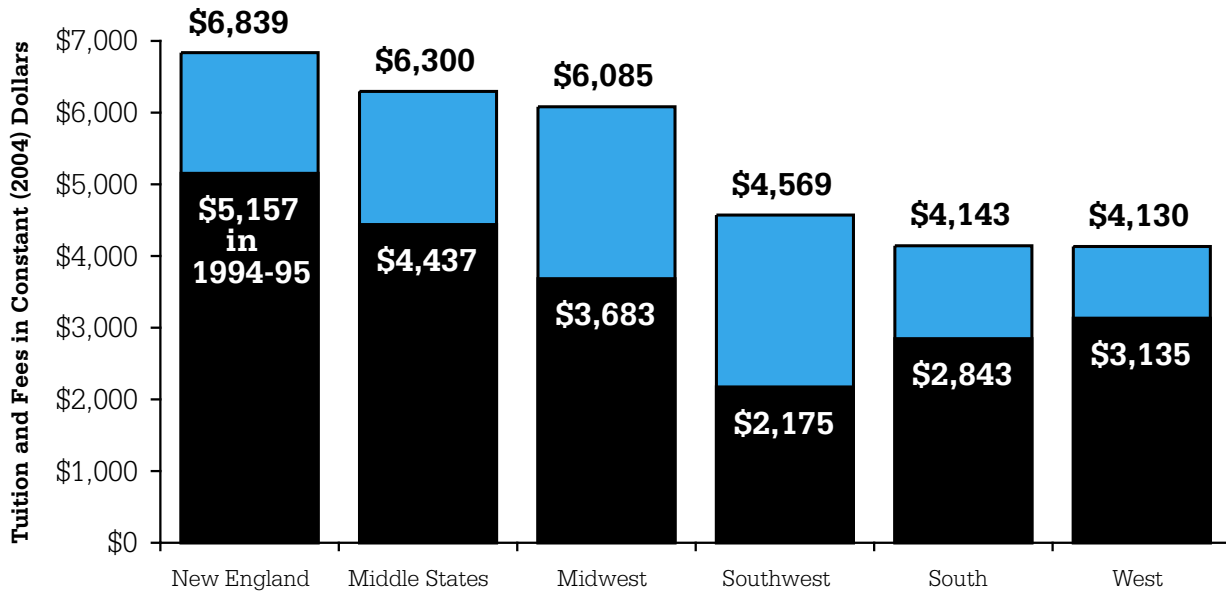
Public Two-Year Colleges

The top of each bar reflects the average published tuition and fee charges in the region in 2004-05. The line across the bar reflects average 1994-95 charges in constant 2004 dollars.



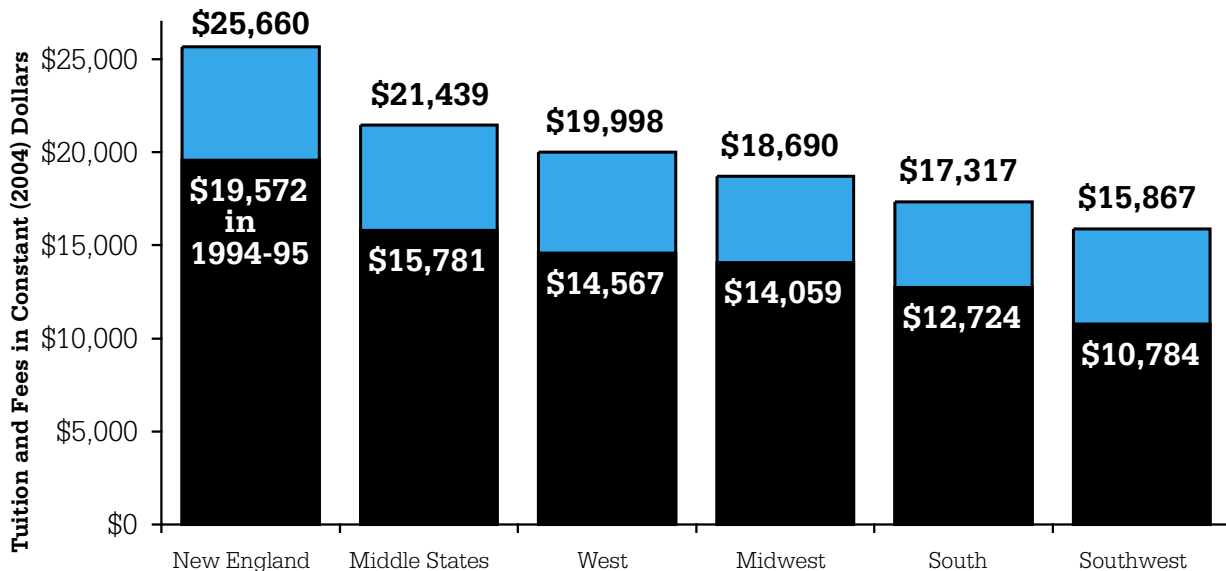
Public Four-Year Colleges and Universities

The top of each bar reflects the average published tuition and fee charges in the region in 2004-05. The line across the bar reflects average 1994-95 charges in constant 2004 dollars.



Private Four-Year Colleges and Universities

The top of each bar reflects the average published tuition and fee charges in the region in 2004-05. The line across the bar reflects average 1994-95 charges in constant 2004 dollars.



Note: All data adjusted for inflation (constant dollars).

Source: Annual Survey of Colleges, The College Board, New York, NY.

These are **enrollment-weighted averages**, intended to reflect the average costs that full-time undergraduate students face in various types of institutions.

Table 6a. Tuition and Fees by College Board Region and Institution Type, in Current Dollars, 1994-95 to 2004-05 (Enrollment-Weighted)

Sector	Tuition and Fees											10-yr \$ change	10-yr % change
	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	04-05		
National													
2-yr public	\$1,310	\$1,330	\$1,465	\$1,567	\$1,554	\$1,649	\$1,642	\$1,608	\$1,674	\$1,909	\$2,076	\$766	58%
4-yr public	\$2,705	\$2,811	\$2,975	\$3,111	\$3,247	\$3,362	\$3,508	\$3,766	\$4,098	\$4,645	\$5,132	\$2,427	90%
4-yr private	\$11,719	\$12,216	\$12,994	\$13,785	\$14,709	\$15,518	\$16,072	\$17,377	\$18,060	\$18,950	\$20,082	\$8,363	71%
New England													
2-yr public	\$2,204	\$2,212	\$2,299	\$2,357	\$2,302	\$2,170	\$2,150	\$2,281	\$2,620	\$2,960	\$3,086	\$882	40%
4-yr public	\$4,094	\$4,237	\$4,315	\$4,526	\$4,635	\$4,677	\$4,748	\$4,890	\$5,353	\$6,239	\$6,839	\$2,745	67%
4-yr private	\$15,539	\$16,318	\$17,219	\$18,418	\$19,211	\$20,281	\$21,215	\$22,106	\$23,663	\$24,226	\$25,660	\$10,121	65%
Middle States													
2-yr public	\$1,996	\$2,358	\$2,528	\$2,559	\$2,622	\$2,619	\$2,653	\$2,738	\$2,946	\$3,080	\$3,242	\$1,246	62%
4-yr public	\$3,523	\$3,728	\$3,909	\$4,057	\$4,201	\$4,509	\$4,686	\$4,776	\$5,585	\$5,928	\$6,300	\$2,777	79%
4-yr private	\$12,529	\$12,816	\$13,886	\$14,650	\$15,381	\$16,540	\$17,547	\$18,761	\$20,357	\$20,238	\$21,439	\$8,910	71%
South													
2-yr public	\$991	\$1,037	\$1,080	\$1,186	\$1,235	\$1,267	\$1,327	\$1,468	\$1,633	\$1,809	\$1,953	\$962	97%
4-yr public	\$2,257	\$2,324	\$2,425	\$2,544	\$2,675	\$2,734	\$2,906	\$3,194	\$3,377	\$3,805	\$4,143	\$1,886	84%
4-yr private	\$10,102	\$10,472	\$11,320	\$12,029	\$12,636	\$13,187	\$13,912	\$14,791	\$15,937	\$16,330	\$17,317	\$7,215	71%
Midwest													
2-yr public	\$1,552	\$1,602	\$1,702	\$1,749	\$1,834	\$1,830	\$1,878	\$2,024	\$2,145	\$2,334	\$2,514	\$962	62%
4-yr public	\$2,924	\$3,104	\$3,263	\$3,468	\$3,647	\$3,811	\$3,992	\$4,217	\$4,887	\$5,445	\$6,085	\$3,161	108%
4-yr private	\$11,162	\$11,800	\$12,670	\$13,320	\$14,007	\$14,609	\$15,299	\$16,349	\$17,426	\$17,683	\$18,690	\$7,528	67%
Southwest													
2-yr public	\$747	\$826	\$871	\$938	\$995	\$1,040	\$1,133	\$1,123	\$1,222	\$1,357	\$1,477	\$730	98%
4-yr public	\$1,727	\$1,871	\$2,160	\$2,321	\$2,526	\$2,721	\$2,925	\$3,210	\$3,402	\$3,925	\$4,569	\$2,842	165%
4-yr private	\$8,562	\$8,973	\$9,654	\$10,075	\$10,701	\$11,257	\$11,965	\$12,974	\$14,435	\$14,745	\$15,867	\$7,305	85%
West													
2-yr public	\$776	\$808	\$834	\$925	\$1,053	—	—	\$914	\$967	\$1,088	\$1,297	\$521	67%
4-yr public	\$2,489	\$2,561	\$2,588	\$2,680	\$2,660	\$2,680	\$2,747	\$2,929	\$3,031	\$3,698	\$4,130	\$1,641	66%
4-yr private	\$11,565	\$12,245	\$12,893	\$13,587	\$14,290	\$15,097	\$15,878	\$15,991	\$17,254	\$18,853	\$19,998	\$8,433	73%

These are **enrollment-weighted averages**, intended to reflect the average costs that full-time undergraduate students face in various types of institutions. Dashes indicate that the sample was too small to provide meaningful information.

Source: Annual Survey of Colleges, The College Board, New York, NY.

Table 6b. Tuition and Fees by College Board Region and Institution Type, in Constant (2004) Dollars, 1994-95 to 2004-05 (Enrollment-Weighted)

Sector	Tuition and Fees											10-yr \$ change	10-yr % change
	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	04-05		
National													
2-yr public	\$1,650	\$1,631	\$1,747	\$1,835	\$1,791	\$1,847	\$1,777	\$1,710	\$1,741	\$1,943	\$2,076	\$426	26%
4-yr public	\$3,407	\$3,447	\$3,547	\$3,644	\$3,742	\$3,766	\$3,796	\$4,004	\$4,263	\$4,729	\$5,132	\$1,725	51%
4-yr private	\$14,761	\$14,979	\$15,491	\$16,147	\$16,950	\$17,384	\$17,390	\$18,475	\$18,788	\$19,292	\$20,082	\$5,321	36%
New England													
2-yr public	\$2,776	\$2,712	\$2,741	\$2,761	\$2,653	\$2,431	\$2,326	\$2,425	\$2,726	\$3,013	\$3,086	\$310	11%
4-yr public	\$5,157	\$5,195	\$5,144	\$5,301	\$5,341	\$5,239	\$5,137	\$5,199	\$5,569	\$6,352	\$6,839	\$1,682	33%
4-yr private	\$19,572	\$20,009	\$20,528	\$21,573	\$22,138	\$22,719	\$22,955	\$23,503	\$24,617	\$24,663	\$25,660	\$6,088	31%
Middle States													
2-yr public	\$2,514	\$2,891	\$3,014	\$2,997	\$3,022	\$2,934	\$2,871	\$2,911	\$3,065	\$3,136	\$3,242	\$728	29%
4-yr public	\$4,437	\$4,571	\$4,660	\$4,752	\$4,841	\$5,051	\$5,070	\$5,078	\$5,810	\$6,035	\$6,300	\$1,863	42%
4-yr private	\$15,781	\$15,715	\$16,555	\$17,160	\$17,725	\$18,529	\$18,986	\$19,946	\$21,178	\$20,603	\$21,439	\$5,658	36%
South													
2-yr public	\$1,248	\$1,272	\$1,288	\$1,389	\$1,423	\$1,419	\$1,436	\$1,561	\$1,699	\$1,842	\$1,953	\$705	56%
4-yr public	\$2,843	\$2,850	\$2,891	\$2,980	\$3,083	\$3,063	\$3,144	\$3,396	\$3,513	\$3,874	\$4,143	\$1,300	46%
4-yr private	\$12,724	\$12,841	\$13,496	\$14,090	\$14,561	\$14,773	\$15,053	\$15,726	\$16,579	\$16,625	\$17,317	\$4,593	36%
Midwest													
2-yr public	\$1,955	\$1,964	\$2,029	\$2,049	\$2,113	\$2,050	\$2,032	\$2,152	\$2,231	\$2,376	\$2,514	\$559	29%
4-yr public	\$3,683	\$3,806	\$3,890	\$4,062	\$4,203	\$4,269	\$4,319	\$4,483	\$5,084	\$5,543	\$6,085	\$2,402	65%
4-yr private	\$14,059	\$14,469	\$15,105	\$15,602	\$16,141	\$16,365	\$16,554	\$17,382	\$18,129	\$18,002	\$18,690	\$4,631	33%
Southwest													
2-yr public	\$941	\$1,013	\$1,038	\$1,099	\$1,147	\$1,165	\$1,226	\$1,194	\$1,271	\$1,381	\$1,477	\$536	57%
4-yr public	\$2,175	\$2,294	\$2,575	\$2,719	\$2,911	\$3,048	\$3,165	\$3,413	\$3,539	\$3,996	\$4,569	\$2,394	110%
4-yr private	\$10,784	\$11,003	\$11,509	\$11,801	\$12,332	\$12,610	\$12,946	\$13,794	\$15,017	\$15,011	\$15,867	\$5,083	47%
West													
2-yr public	\$977	\$991	\$994	\$1,083	\$1,213	—	—	\$972	\$1,006	\$1,108	\$1,297	\$320	33%
4-yr public	\$3,135	\$3,140	\$3,085	\$3,139	\$3,065	\$3,002	\$2,972	\$3,114	\$3,153	\$3,765	\$4,130	\$995	32%
4-yr private	\$14,567	\$15,015	\$15,371	\$15,915	\$16,467	\$16,912	\$17,180	\$17,001	\$17,950	\$19,193	\$19,998	\$5,431	37%

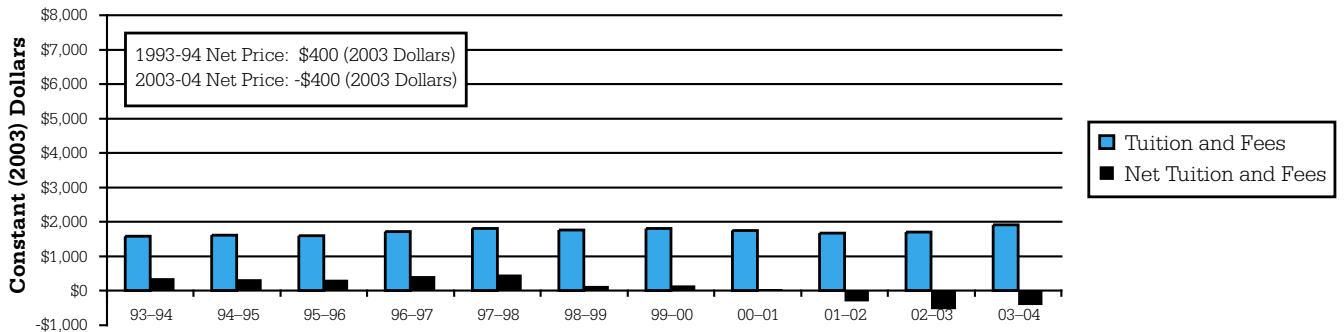
These are **enrollment-weighted averages**, intended to reflect the average costs that full-time undergraduate students face in various types of institutions. Dashes indicate that the sample was too small to provide meaningful information.

Source: Annual Survey of Colleges, The College Board, New York, NY.

Figure 7. Net Price: Published Tuition & Fees and Tuition & Fees After Average Grant and Education Tax Benefits per Student by Institution Type, in *Constant (2003) Dollars*, 1993-94 to 2003-04

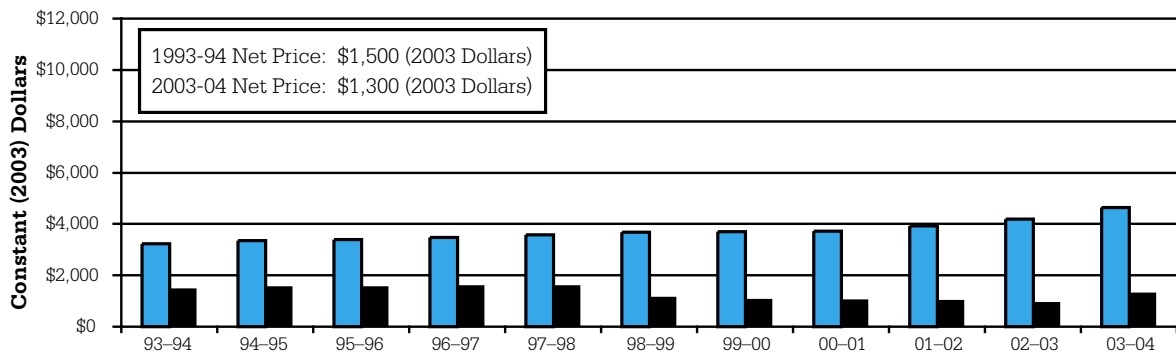
The net prices reported in these graphs are estimated averages for the sector. Students pay different prices depending on their circumstances. Not apparent in the average prices illustrated below is the reality that the changing distribution of state and institutional grant aid, combined with the introduction of education tax credits in 1998 and the tuition and fee deduction in 2002, has reduced net price for middle- and upper-income students relative to net price for lower-income students.

Public Two-Year Colleges



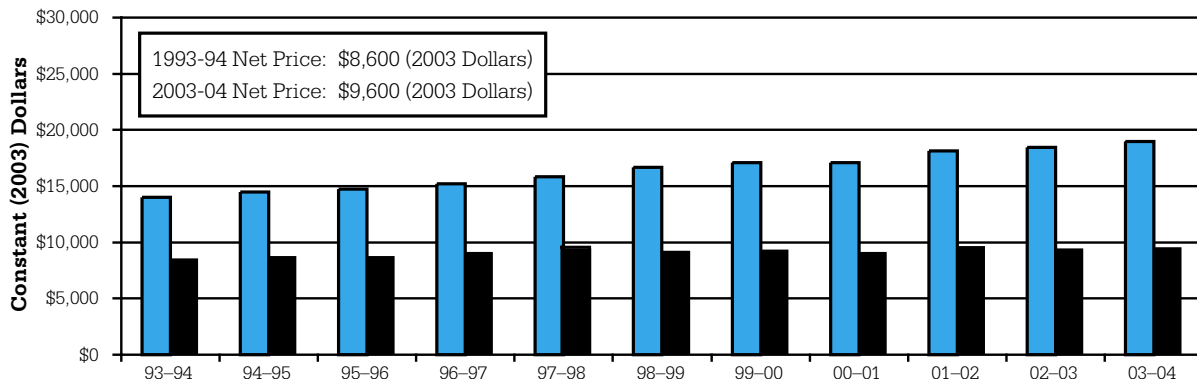
Note: Aid includes 85 percent federal grants and tax benefits, 9 percent state grants, and 6 percent institutional grants.

Public Four-Year Colleges and Universities



Note: Aid includes 59 percent federal grants and tax benefits, 17 percent state grants, and 23 percent institutional grants.

Private Four-Year Colleges and Universities

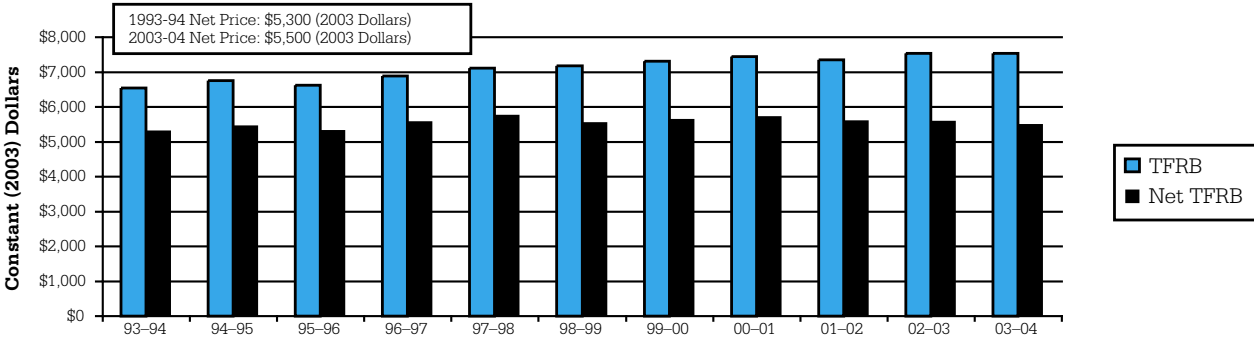


Note: Aid includes 24 percent federal grants and tax benefits, 12 percent state grants, and 65 percent institutional grants.

Figure 8. Net Price: Published Tuition, Fees, Room and Board (TFRB) and TFRB After Average Grant and Education Tax Benefits per Student by Institution Type, in *Constant (2003) Dollars*, 1993-94 to 2003-04

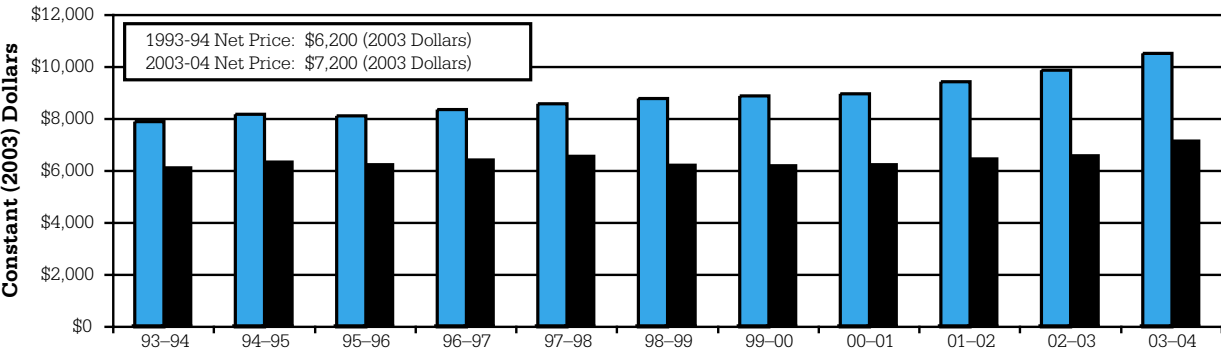
The net prices reported in these graphs are estimated averages for the sector. Students pay different prices depending on their circumstances. Not apparent in the average prices illustrated below is the reality that the changing distribution of state and institutional grant aid, combined with the introduction of education tax credits in 1998 and the tuition and fee deduction in 2002, has reduced net price for middle- and upper-income students relative to net price for lower-income students.

Public Two-Year Colleges



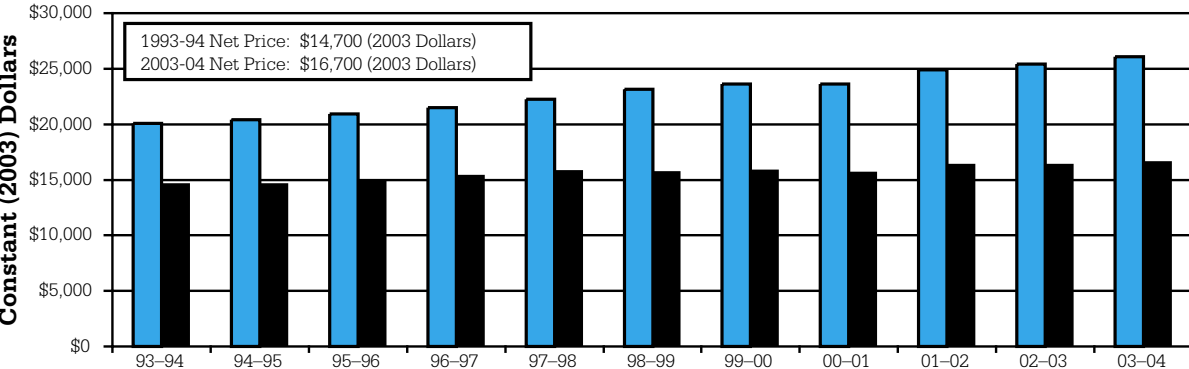
Note: Aid includes 85 percent federal grants and tax benefits, 9 percent state grants, and 6 percent institutional grants.

Public Four-Year Colleges and Universities



Note: Aid includes 59 percent federal grants and tax benefits, 17 percent state grants, and 23 percent institutional grants.

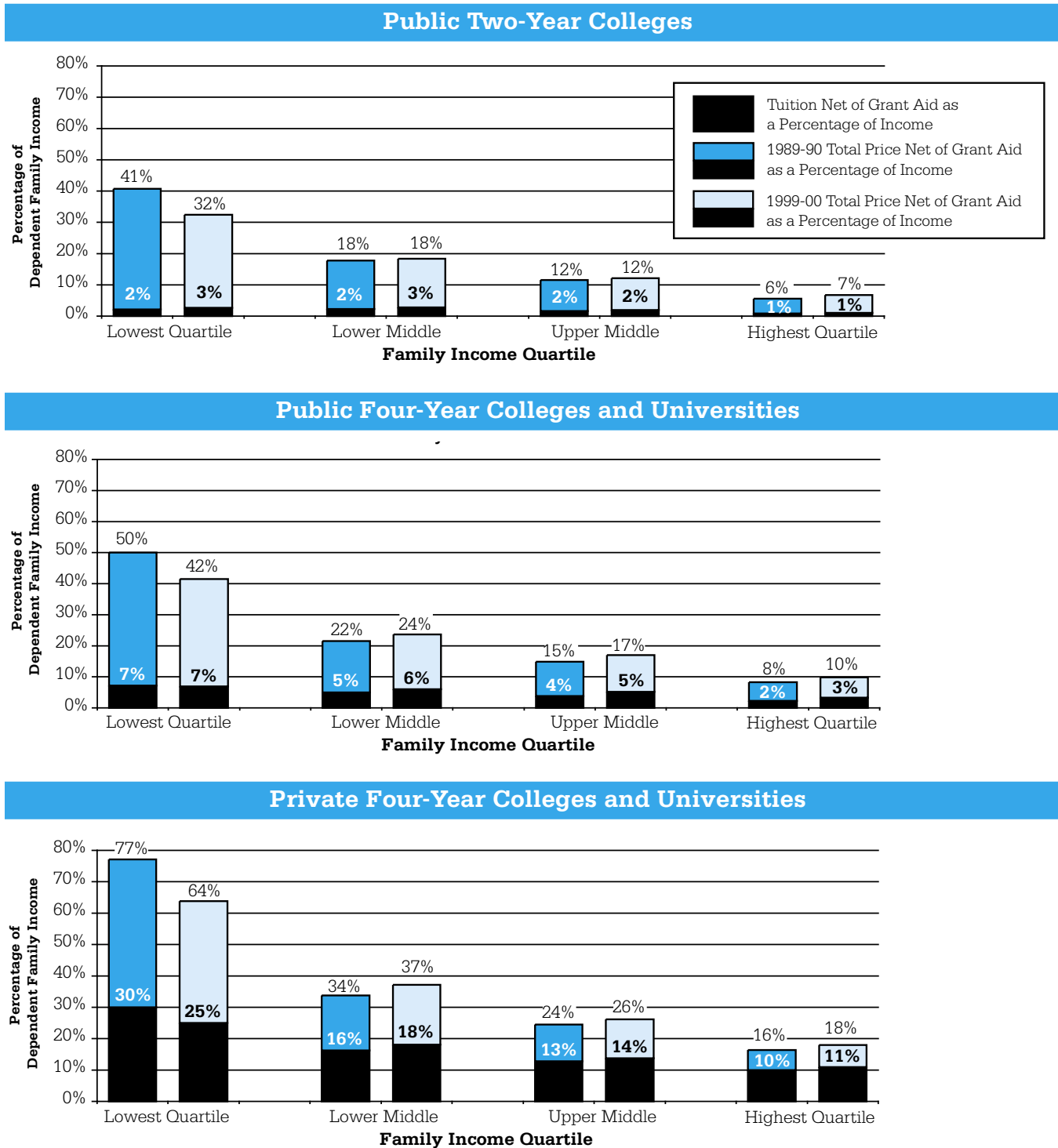
Private Four-Year Colleges and Universities



Note: Aid includes 24 percent federal grants and tax benefits, 12 percent state grants, and 65 percent institutional grants.

Figure 9. Net Tuition and Fees and Net Cost of Attendance as a Percentage of Family Income, 1989-90 and 1999-2000

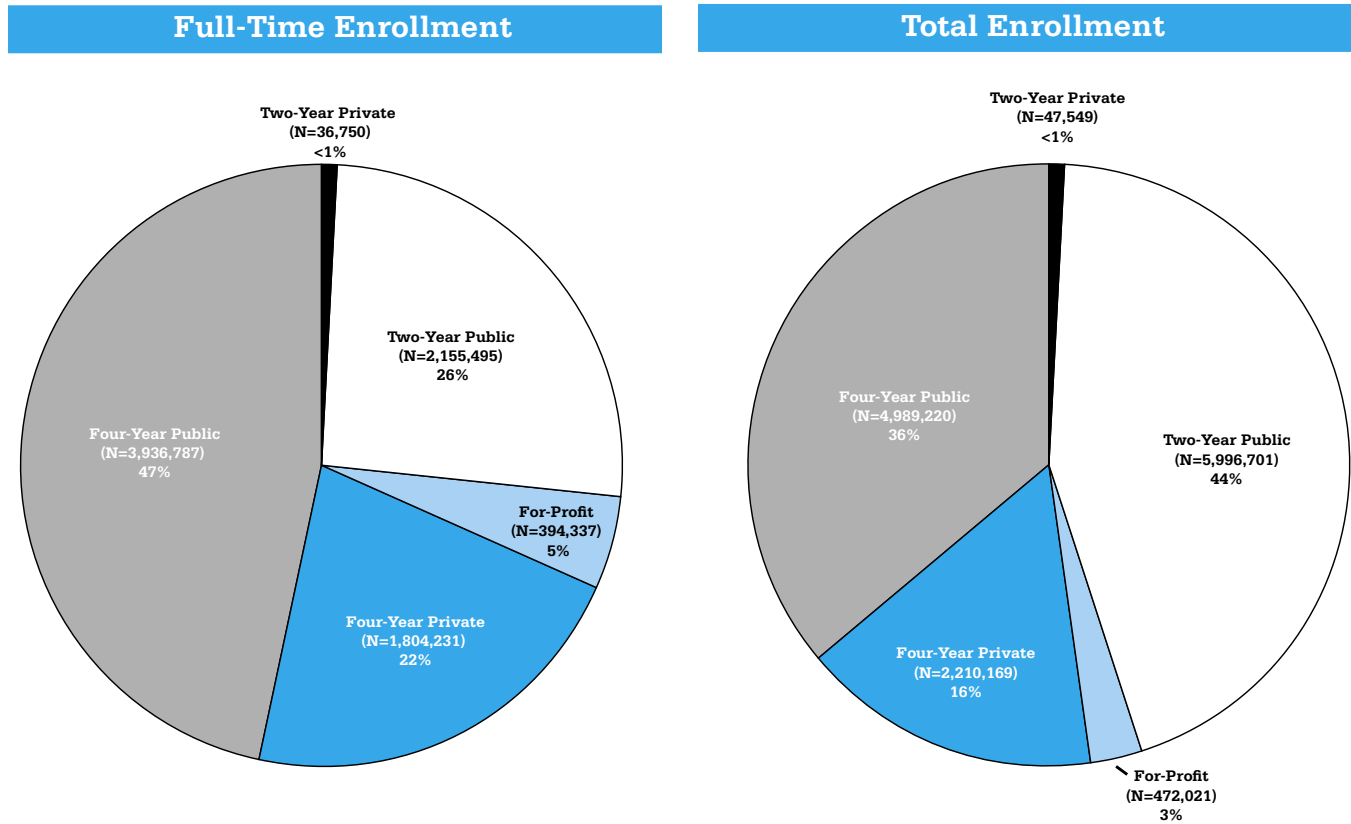
The bottom segment of each bar shows the percentage of income required to pay the average net tuition and fees, after subtracting average total grant aid received by full-time dependent students in the specified income quartile enrolled in the sector. The entire bar shows the percentage of income required to pay the total net cost of attendance. It includes room, board, books, transportation, and personal expenses, in addition to tuition and fees.



Notes: Average 1989-90 dependent family incomes (in 1999 dollars): lowest quartile = \$14,000; lower middle quartile = \$40,000; upper middle quartile = \$62,500; and highest quartile = \$122,100; average 1999-2000 dependent family incomes: lowest quartile = \$18,800; lower middle quartile = \$43,100; upper middle quartile = \$67,600; and highest quartile = \$124,600.

Source: *Paying for College: Changes Between 1990 and 2000 for Full-Time Dependent Undergraduates*, NCES 2004-075.

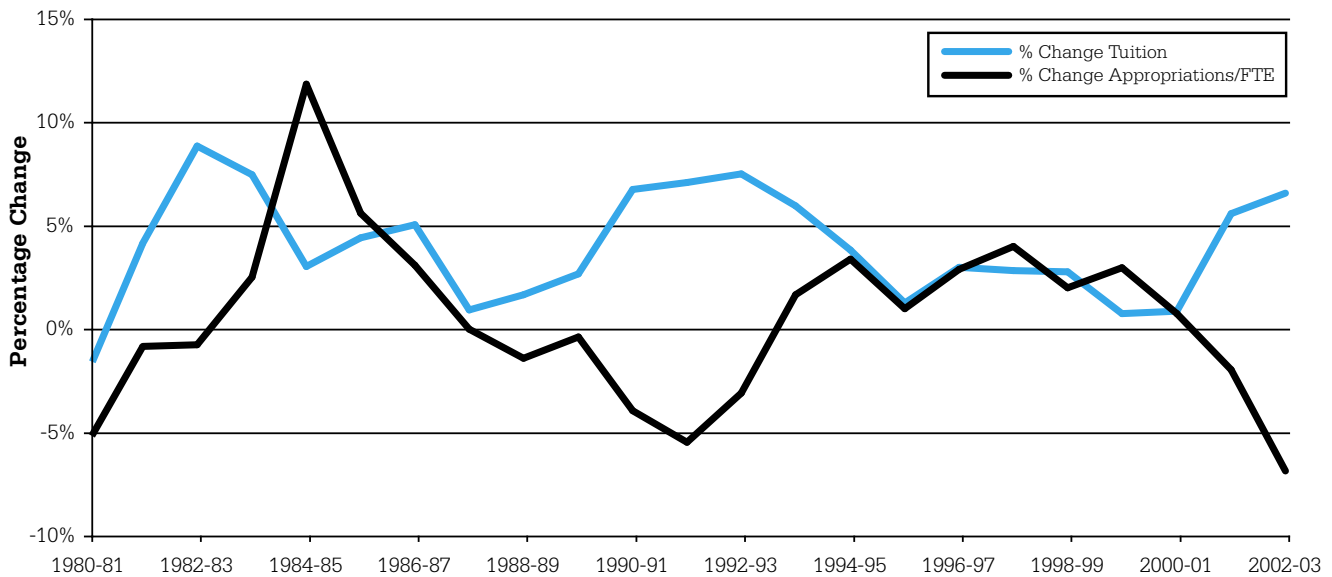
Figure 10. Undergraduate Fall Enrollment by Institution Type and Control, 2001-02



Note: Percents may not sum to 100 percent due to rounding.

Source: Enrollment in Postsecondary Institutions, Fall 2001 and Financial Statistics, FY 2001, Table 8, NCES 2004-155.

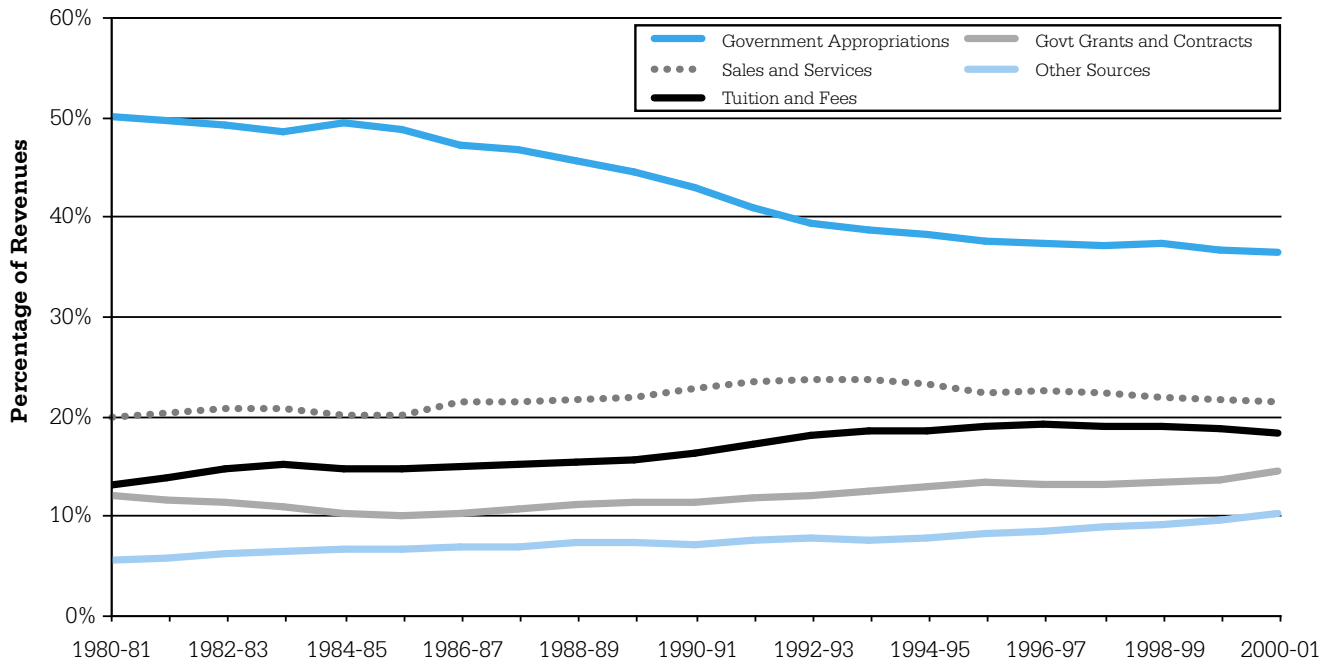
Figure 11. Annual Percentage Change in Instructional Appropriations and Tuition and Fees at Public Four-Year Institutions, 1980-81 to 2002-03 (Constant 2002 Dollars)



Sources: Table 4a and SHEEO State Higher Education Finance Survey.

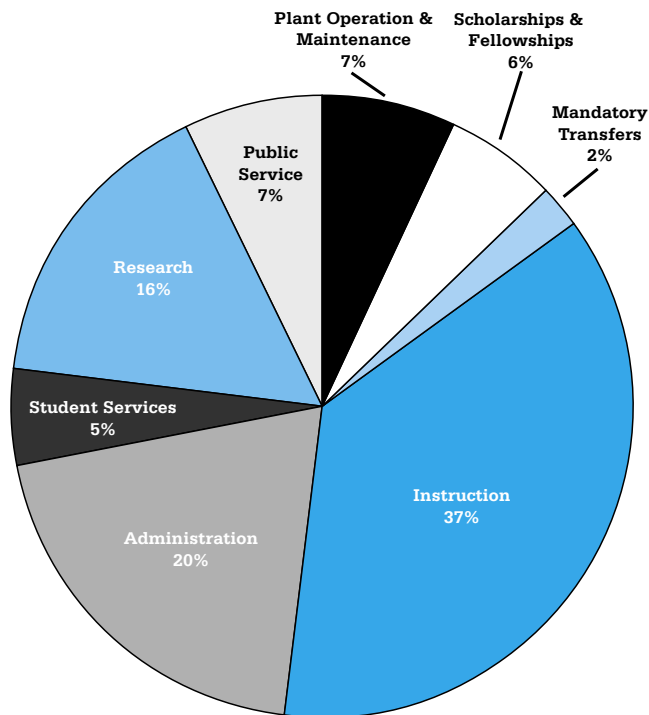
Notes: Instructional appropriation equals state appropriations plus local appropriations, excluding research, agriculture, and medical appropriations. Full-time equivalent numbers are computed by SHEEO, based on 30 credit hours (or equivalent).

Figure 12. Revenue Sources for All Public Degree-Granting Institutions, 1980-81 to 2000-01



Sources: *Digest of Education Statistics, 2002, Table 328; 1995, Table 319; 1992, Table 313. Enrollment in Postsecondary Institutions, Fall 2001 and Financial Statistics, FY 2001, Table 28, NCES 2004-155.*

Figure 13. Expenditures of All Public Institutions, 2001



Source: *Enrollment in Postsecondary Institutions, Fall 2001 and Financial Statistics, FY 2001, Table 29, NCES 2004-155.*

Table 7a. *Average Annual Published Tuition and Fees, Room and Board, and Total Charges for Undergraduates, by Institution Type, in Current Dollars, 1994-95 to 2004-05 (Unweighted)*

Sector	Tuition and Fees											10-yr change	% change
	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	04-05		
2-Year Public	\$1,267	\$1,399	\$1,476	\$1,528	\$1,551	\$1,603	\$1,703	\$1,748	\$1,878	\$2,074	\$2,247	\$980	77%
4-Year Public	\$2,585	\$2,741	\$2,879	\$3,042	\$3,158	\$3,280	\$3,380	\$3,605	\$3,945	\$4,431	\$4,843	\$2,258	87%
4-Year Private	\$9,993	\$10,528	\$11,173	\$11,812	\$12,311	\$12,951	\$13,772	\$14,895	\$15,659	\$16,293	\$17,270	\$7,277	73%
Sector	Room and Board											10-yr change	% change
	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	04-05		
2-Year Public	—	—	—	—	—	—	—	—	—	—	—	—	—
4-Year Public	\$3,708	\$3,847	\$3,989	\$4,172	\$4,340	\$4,523	\$4,669	\$4,966	\$5,174	\$5,520	\$5,816	\$2,108	57%
4-Year Private	\$4,385	\$4,536	\$4,708	\$4,871	\$5,031	\$5,234	\$5,445	\$5,766	\$6,102	\$6,297	\$6,606	\$2,221	51%
Sector	Total Charges											10-yr change	% change
	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	04-05		
2-Year Public	\$1,267	\$1,399	\$1,476	\$1,528	\$1,551	\$1,603	\$1,703	\$1,748	\$1,878	\$2,074	\$2,247	\$980	77%
4-Year Public	\$6,293	\$6,588	\$6,868	\$7,214	\$7,498	\$7,803	\$8,049	\$8,571	\$9,119	\$9,951	\$10,659	\$4,366	69%
4-Year Private	\$14,378	\$15,064	\$15,881	\$16,683	\$17,342	\$18,185	\$19,217	\$20,661	\$21,761	\$22,590	\$23,876	\$9,498	66%

Table 7b. *Average Annual Published Tuition and Fees, Room and Board, and Total Charges for Undergraduates, by Institution Type, in Constant (2004) Dollars, 1994-95 to 2004-05 (Unweighted)*

Sector	Tuition and Fees											10-yr change	% change
	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	04-05		
2-Year Public	\$1,596	\$1,715	\$1,760	\$1,790	\$1,787	\$1,796	\$1,843	\$1,858	\$1,954	\$2,111	\$2,247	\$651	41%
4-Year Public	\$3,256	\$3,361	\$3,432	\$3,563	\$3,639	\$3,674	\$3,657	\$3,833	\$4,104	\$4,511	\$4,843	\$1,587	49%
4-Year Private	\$12,587	\$12,910	\$13,320	\$13,836	\$14,187	\$14,508	\$14,901	\$15,836	\$16,290	\$16,587	\$17,270	\$4,683	37%
Sector	Room and Board											10-yr change	% change
	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	04-05		
2-Year Public	—	—	—	—	—	—	—	—	—	—	—	—	—
4-Year Public	\$4,670	\$4,717	\$4,756	\$4,887	\$5,001	\$5,067	\$5,052	\$5,280	\$5,383	\$5,620	\$5,816	\$1,146	25%
4-Year Private	\$5,523	\$5,562	\$5,613	\$5,705	\$5,798	\$5,863	\$5,892	\$6,130	\$6,348	\$6,411	\$6,606	\$1,083	20%
Sector	Total Charges											10-yr change	% change
	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	04-05		
2-Year Public	\$1,596	\$1,715	\$1,760	\$1,790	\$1,787	\$1,796	\$1,843	\$1,858	\$1,954	\$2,111	\$2,247	\$651	41%
4-Year Public	\$7,926	\$8,078	\$8,188	\$8,450	\$8,640	\$8,741	\$8,709	\$9,113	\$9,487	\$10,131	\$10,659	\$2,733	34%
4-Year Private	\$18,110	\$18,472	\$18,933	\$19,541	\$19,984	\$20,371	\$20,793	\$21,966	\$22,638	\$22,998	\$23,876	\$5,766	32%

All data are unweighted averages, intended to reflect the average prices set by institutions.

Source: Annual Survey of Colleges, The College Board, New York, NY.

Notes and Sources

Data Sources and Analytical Details

Averages and price changes described in this report are based on data reported by public and private nonprofit colleges and universities as part of the College Board's 2004-05 Annual Survey of Colleges.

Data were collected on questionnaires distributed in October 2003, and subjected to intensive review and follow-up where necessary through the following spring and summer months. Institutions had until the third week of August 2004 to submit or revise their figures. To collect comparable price information, the survey asked institutions to provide tuition and fee data based on charges to first-year full-time students, based on a nine-month academic year of 30 semester hours or 45 quarter hours. If firm 2004-05 figures were not yet established at the time the database was closed out in August, but a reliable institutional or systemwide forecast was available, projected data were used in the analysis.

Enrollment-Weighted and Unweighted Data

The body of this report provides enrollment-weighted averages, or average prices that full-time undergraduate students face. Table 7 reports unweighted averages, or average college charges.

Weighted averages count the charges of institutions with larger full-time enrollments more heavily than those of institutions with fewer students. These weighted averages provide the best indication of the charges typically faced by students. Unweighted averages count all institutions equally. They are sometimes useful to researchers, policy analysts, and academic administrators studying longitudinal trends and evaluating a particular institution's practices against a larger set.

Weights are applied differentially, depending on the data element being analyzed.

- Two sets of averages and rates of change are provided for tuition and fees—weighted (by full-time undergraduate enrollment) and unweighted.
- Two sets of averages and rates of change are provided for resident room and board—weighted (by the number of undergraduates living in college housing at each institution) and unweighted.

Table A.

Composition of Sample for Tuition and Fees (T&F) Analysis

	Total Surveys Mailed	Number of Institutions Included in T&F Analysis	Institutions in Sample Where T&F Are Projected or Imputed (Not Firm)
2-yr Public	1,020	999	52
4-yr Public	602	549	11
4-yr Private	1,238	1,130	21
Total	2,860	2,678	84

- One set of averages and no rates of change are provided for estimated other student budget components, weighted differentially:
 - Books and supplies (weighted by full-time undergraduate enrollment)
 - Resident transportation and other resident costs (weighted by the number of undergraduates living in college housing)
 - Commuter room and board, commuter transportation, and other commuter costs (weighted by the number of commuting undergraduates at each institution, reflecting the expenses of commuters not living at home with parents)

Note that the additional out-of-state charges included in Table 3 (sample budgets) and Table 5 for public colleges reflect the mean charges reported by institutions, and not a weighted average. Some two-year public colleges also levy an additional out-of-district surcharge.

Survey Response and Institutions Included in Calculations

Out of the surveys mailed to 2,860 public and private nonprofit institutions, 2,678 (94 percent) were included in this year's analysis. This year we implemented an imputation process that allows us to include schools for which we are missing one year of data. To ensure that the averages we report are as accurate as possible at the time they are computed, the College Board maintains two kinds of internal controls:

- In order to minimize the distortions that might otherwise be caused by institutions responding one year and not the next, we include in the calculations only those institutions for which we have two consecutive years' worth of data or for which we have the information necessary to impute a second year of data.
- Rates of response vary considerably by budget component. Where the number

of institutions reporting data was not large enough to provide meaningful information, we do not publish average figures.

Table A describes the institutions that were included in this analysis, by sector.

- The first column reports the number of questionnaires sent to each type of institution.
- The second column represents the number of total institutions of each type and control with sufficient information to be included in the analysis.
- The third column indicates the number of institutions that submitted projected rather than final data at the time the analysis was performed or for whom data were imputed. For example, in the two-year public sector, 44 schools reported projected, rather than firm, data and the College Board imputed data for 8 schools.

The samples we construct for regional subsets are, of course, smaller. In some regional subsets, the number of usable observations in some budget components is so low that we either do not publish the averages or we classify them as marginal.

Please note that the foregoing discussion applies only to the question of how many institutions are included in the pricing analysis (averages and rates of change), not to the number of institutions whose data the College Board publishes in *The College Cost & Financial Aid Handbook*. In the *Handbook*, entries for individual institutions responding to the Annual Survey indicate whether the tuition figures are current, projected, or prior year data. The 2005 edition of the *Handbook* was published in August 2004.

Revision of Base-Year Figures

The base-year values for 2003-04 used in this analysis differ somewhat from the 2003-04 averages that we reported last year. Several factors contribute to the revision of the previous year's numbers. Some institutions do not report

complete data each year. In the past, we have excluded all schools without two consecutive years of data. This year we have implemented an imputation process to increase the stability of the sample. For institutions missing only one year of enrollment data, we rely on the available year's enrollment figure. In some cases, we have used IPEDS data to estimate enrollment. In addition, if tuition and fee information is missing for a given year, we estimate it based on the institution's relative position in the overall tuition and fee distribution of the relevant sector for the preceding year. The base-year numbers may change as a result of revisions submitted by institutions. Several hundred institutions submitted changes to their earlier figures for 2003-04. Most of these revisions are minor. Some result from simple human error, which in some measure can only be expected in such a large survey, and many result from the increasing complexity of tuition and fee formulas and determining what fees apply to all students. The College Board does not make revisions to incorporate changes in tuition levels imposed during the academic year.

Finally, the latest enrollment data available for weighting lag the price data by one year. In other words, the 2004-05 prices reported here are weighted by 2003-04 enrollment numbers. We have recomputed the 2003-04 prices using the enrollment figures for that year, which are now available.

As explained in the Introduction, the recomputed average for tuition and fees at public four-year institutions in 2003-04 is less than 1 percent lower than the level we reported last year, but for private four-year institutions, the \$18,950 figure reported here is 3.9 percent lower than the amount we reported in 2003. Tuition and fee levels for all years back to 2000-01 have been recomputed to incorporate both the imputation procedure for missing data and the matching of enrollment year to price year. The revised tuition and fee level for public two-year colleges is only \$4 higher than the 2003-04 level published last year.

Both the average prices for 2004-05—and calculated rates of change—published in this report are subject to recomputation one year hence.

Longitudinal Data

In Table 4, tuition averages from years prior to 1987-88 are extracted from the National Center for Education Statistics' Integrated Postsecondary Education Data System (IPEDS). The two data sets, IPEDS and the

College Board's Annual Survey, track very closely.

Net Price Calculations

The calculations of net price for undergraduate students are a best approximation. The allocation of most federal Pell, SEOG, and LEAP funds is based on data reported in *Trends in Student Aid*. The allocation of other small federal grants is based on FTE enrollments. Estimates of institutional grant amounts are based on data from several sources, including IPEDS and NPSAS. The portion of this aid allocated to undergraduate students in each sector is based on NPSAS and on the NCES report, *What Students Pay for College* (2002). Aggregate education tax credit and tuition and fee deduction amounts are based on data from the Internal Revenue Service, with the savings from the tax deductions based on marginal tax rates by income level. Tax benefits are allocated to sectors based on the income distribution of the filers claiming the benefits and the income distribution of the students enrolled in the sector. We anticipate the availability of more accurate information on the distribution of the tax benefits for future reports.

Per-student grant amounts are based on full-time equivalent enrollment levels in each sector, as reported in NCES, *Projections of Education Statistics, 2010 and 2012*. The facts that grant aid to part-time students is not necessarily proportionate to the amount of tuition they pay, and that international students ineligible for most grant aid are included in the enrollment numbers, contribute to potential imprecision in our calculation of average grant levels.

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 when available and are derived from public four-year room and board charges for earlier years in the decade. Note that we are not calculating average grant per student. Rather, we are calculating average grant aid per full-time tuition payment.

Inflation Adjustment

The Consumer Price Index for all urban dwellers (the CPI-U) is used to adjust for inflation. Updated CPI data are available from the Bureau of Labor Statistics Web site (<http://stats.bls.gov/cpihome.htm>). The academic base year 2004-05 was extrapolated from the current CPI data and covers July 2004 to June 2005 (estimated).

Table B.

Consumer Price Index (1982-84=100)

Academic Year			Calendar Year		
Year	CPI	Factor	Year	CPI	Factor
1994-95	150.4	1.2596	1994	148.2	1.2688
1995-96	154.5	1.2262	1995	152.4	1.2341
1996-97	158.9	1.1922	1996	156.9	1.1990
1997-98	161.7	1.1713	1997	160.5	1.1716
1998-99	164.4	1.1524	1998	162.9	1.1547
1999-00	169.1	1.1202	1999	166.4	1.1302
2000-01	175.1	1.0820	2000	172.2	1.0921
2001-02	178.2	1.0632	2001	177.1	1.0621
2002-03	182.1	1.0403	2002	179.9	1.0455
2003-04	186.1	1.0180	2003	184.0	1.0223
2004-05	189.5	1.0000	2004	188.1	1.0000

Formula for Constant Dollar Conversion:

$$\text{CONSTANT (base year) Dollars} = \text{CURRENT year dollars} \times \frac{\text{CPI for the base year}}{\text{CPI for the current year}}$$

Table B provides academic and calendar year CPI data. The factor column provides the user with a multiplication factor equal to that of CPI (base year) divided by CPI (current year), as illustrated in the right-hand side of the above equation. A simple multiplication of a current year figure by the associated factor will yield a constant-dollar result.

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This report provides the most recent and complete statistics available on pricing of U.S. public and private nonprofit postsecondary institutions. Based on the College Board's Annual Survey of Colleges, data presented in this publication cover tuition and fees, room and board, and other costs associated with going to college.

Defining Terms

According to the 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, and transportation. **Net price** is what the student and/or family must cover after financial aid awards 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.

This report provides the published prices facing students and parents and estimates of average net price. We refer readers to the companion publication, *Trends in Student Aid 2004*, for detailed data on the grant, loan, work-study, and education tax benefits that help families cover the expenses of college attendance. This report does not focus on the underlying costs of instruction or subsidies to institutions.

The Washington Office of the College Board conducts research relevant to public policy issues in education. The office is located at 1233 20th Street, NW, Suite 600, Washington, DC 20036-2375. Phone 202 741-4700.

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