



Trends in Higher Education Series

2006

Trends in College Pricing

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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 more than 3,000 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.

In 2004, the *Trends* reports were accompanied by a third publication, *Education Pays 2004: The Benefits of Higher Education for Individuals and Society*. This year we are issuing a second brief supplement to that report, providing additional information on the economic and social benefits of higher education, as we did last year. We also continue to focus on the distribution of these benefits by examining both the progress and the persistent gaps in participation in postsecondary education.

Both PDF copies of the publications and PowerPoint files containing individual slides for all of the tables and graphs are available on the College Board's Web site (www.collegeboard.com/trends). Please feel free to use these slides with proper attribution. Excel files containing historical data and some of the data underlying the graphs included in the reports are also available online.

Scope of the Report

Trends in College Pricing includes information on:

- Changes in tuition and fees, room and board, and other costs of attending college both this year and over time
- The distribution of students across colleges charging different prices
- Variation in college charges across states and regions of the U.S.
- The net price of college after considering grant aid and tax benefits
- Patterns of participation in higher education including types of institutions attended, part-time, full-time and multiple institution enrollment, degree completion, remedial courses, and patterns of migration across state lines
- Changes over time in state and local appropriations and in the prices of goods and services purchased by colleges and universities

This edition of *Trends in College Pricing* presents detailed data on two-year and four-year public and four-year private nonprofit institutions for the 2006-07 academic year. Similar information about the growing for-profit sector of postsecondary education, which enrolls about 7 percent of all undergraduate students, is not available.

The information on prices contained in this report provides a reliable and up-to-date overview of the tuition, fees, room, and board, and other expenses associated with college enrollment in the United States. The

meaning of the numbers contained in *Trends* can be more accurately interpreted with some basic background about the increasingly complex world of college prices and enrollment patterns.

Published Prices Versus Net Prices

Most of the graphs and charts in *Trends in College Pricing* focus on published prices for full-time undergraduates. However, 62 percent of undergraduates enrolled full-time receive grant aid from federal or state government, from the institutions in which they are enrolled, and/or from employers or other private sources. Millions of students and families also take advantage of federal tax credits and deductions for higher education. All of these sources of student aid reduce the price that students actually pay for college. As Figures 8 and 9 make clear, the net prices of college are, on average, significantly lower than the published prices highlighted in Table 1 and detailed throughout this report.

While net price is the best measure of affordability, many students do pay the published prices and many more students and their parents believe they will have to pay the published prices because they are unaware of the sources and quantities of student aid available.

Moreover, the average net price conceals the impact of changes in the distribution of grants and other subsidies to students. Within institutions, students with different financial resources, family composition, academic qualifications, or other characteristics may pay different net prices. In addition, similar students are eligible for very different amounts of grant aid at different institutions.

Enrollment Patterns

The tuition, fees, and other charges reported in *Trends* apply to full-time undergraduate students. Almost 40 percent of all undergraduates and about 60 percent 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. Many institutions charge different prices depending on year or program of study, even for full-time students. The prices included in *Trends* represent best estimates of average prices for all full-time undergraduate students.

Another important aspect of estimating the price of a college education is that many students take longer than two years to earn an associate degree or longer than four years to earn a bachelor's degree. Average time to degree at four-year colleges and universities is reported in Figure 11a. An accurate comparison of the price of one institution or type of institution to another involves incorporating the expected time to degree in addition to the annual price of attendance. The prices we report are prices for one academic year.

Tuition and Fees Versus Total Charges

Some of the graphs and tables in the 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 set by either institutions or state government bodies and are relevant for all enrolled students, they are the best overall indicator of the price of college. However, whether they live on or off campus, all students 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 of these costs are attributable to attending school, they pose a significant hurdle to 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 that create the burden for these students, but the very real costs they incur to support themselves and their families while they are in school. It is also important to remember that for many students, the largest component of the cost of being a student is actually foregone earnings, which are not addressed in this report.

How Much Does It Really Cost to Go to College?

All of the issues discussed above make any one answer to the question of how much students pay for college a misrepresentation for most individual students. Some students must struggle with family obligations, work commitments, and inadequate academic preparation, all of which are likely to extend the number of years they will have to pay tuition costs. Others receive generous assistance from families, government, institutions, and employers and can pursue their education with minimal financial strain. In assessing the role of college prices in determining educational opportunities, it is important to keep in mind the variety of types of institutions available and the wide range in prices, the significant difference between published prices and net prices faced by many students, and the different living situations affecting students.

While the annual prices on which we focus in this report do make a significant difference in students' lives, longer-term trends are most important. Comparing price changes from one year to the next or across types of institutions in any one year is not always meaningful. It is also important to keep in mind that larger percentage increases in price do not necessarily correspond to larger dollar increases when very different prices are being compared.

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, to assure that this year's average is compared to the average last year for exactly the same set of schools, and to provide an enrollment-weighted average based on the most recent available data on the number of full-time students attending each institution. Details relating to this methodology and to other technical issues and data reliability can be found at the end of the report, in the Notes and Sources section.

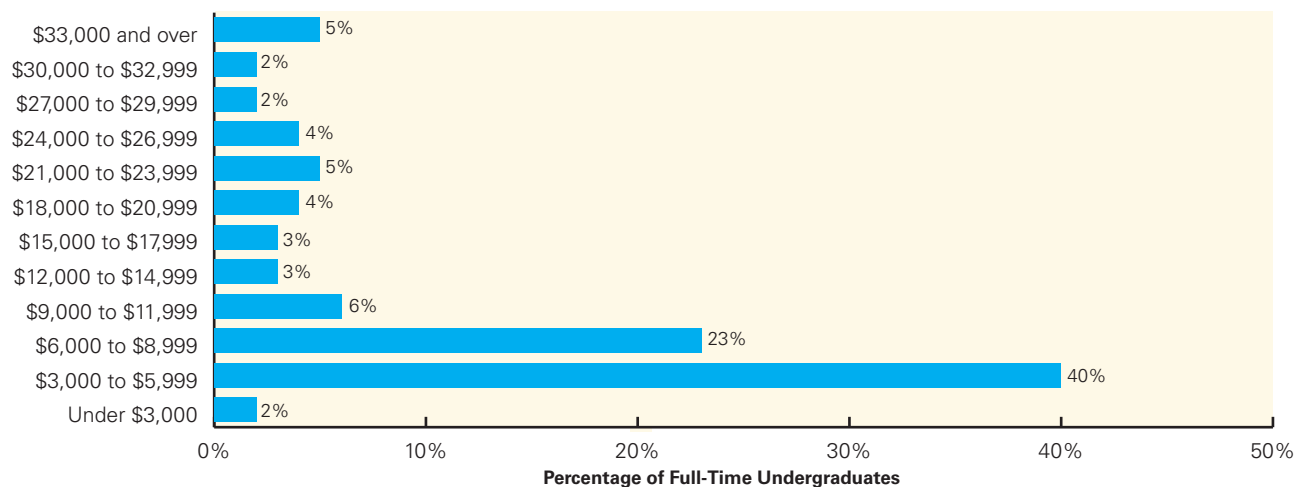
We welcome reader comments and suggestions on these *Trends* reports. Visit the College Board on the Web at www.collegeboard.com/trends for an electronic version of this document and its counterpart, *Trends in Student Aid 2006*.

Acknowledgments

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The report would not have been possible without the cooperation and work of the following individuals at the College Board: Stan Bernstein, Catherine Serico, and the *Annual Survey of Colleges* staff in Guidance Publishing; Tom Rudin, Sally Mitchell, and Micah Haskell-Hoehl in the Washington Office; Joel Goldman, Kathleen Little, and Anne Sturtevant of the Enrollment division; Erin Thomas, Caitlin McClure, Anne Sussman, Joe Brown, and the staff of the Creative Services division; and Sandra Riley of the Public Affairs division. We are also grateful for the contributions of other organizations and researchers who provided valuable advice and contributed to our data collection efforts.

Figure 1: Distribution of Full-Time Undergraduates at Four-Year Institutions by Published Tuition and Fee Charges, 2006-07



Note: Only in-state tuition and fees are included for students enrolled in out-of-state public institutions. These students also pay a nonresident fee, as reported in Table 2. The distribution of students across institutions is based on the latest available enrollment data, which are for 2005-06.

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

The median level of published tuition and fees for full-time undergraduates enrolled in four-year colleges and universities in 2006-07 is \$7,300. (The median is not marked in Figure 1, but is included in the \$6,000 to \$8,999 range.)

Executive Summary

The question of college affordability is too complex to be captured by simple information about tuition and fee increases. The data on prices included in this report must be considered in the context of family incomes, available student aid, the earnings of college graduates, state and federal budgetary constraints, college and university finances, and the wide range of both educational opportunities and barriers to opportunity facing students.

The data in this report confirm the widespread perception that college prices are rising much more rapidly than the prices of other goods and services. Like last year's increases, the 2006-07 increases in tuition and fees are smaller than those of many recent years. That said, the 35 percent jump in inflation-adjusted average tuition and fees for in-state students at public four-year colleges since 2001-02 is the largest for any five-year period over the 30 years covered by this report. While the percentage price increases in private four-year institutions have been smaller and are not at record highs, the dollar increases far exceed those in the public sector. In public two-year colleges, both the level of tuition and fees and the rate of growth are smaller. For many students in this sector, it is the additional costs associated with college attendance and the foregone earnings that present the greatest financial barriers.

The average prices and price increases reported in *Trends in College Pricing* are important, but the variation across states, regions, sectors of higher education, and institutions within those sectors means most for individual students and the opportunities available to them. Moreover, it is the net price after considering the subsidies available from federal and state governments, colleges and universities, and private sources that matters most for affordability. This report provides details on these issues, as well as some insights into the revenues and expenditures of colleges and universities and the changing enrollment patterns of college students.

The brief text accompanying the charts and graphs on the following pages provides highlights of the extensive data reported here. Key facts include:

Tuition, Fees, Room, and Board

Tuition and fees constitute about two-thirds of the total budget for students enrolled in private four-year colleges but are just over a third of the total budget for in-state students in four-year public colleges and less than 20 percent of the total budget for two-year public college students.

- Average total tuition and fees at four-year public colleges and universities in 2006-07 are \$5,836, \$344 (6.3 percent) higher than they were in 2005-06. Average total charges, including tuition, fees, room, and board, are \$12,796.
- Average total tuition and fees at two-year public colleges in 2006-07 are \$2,272, \$90 (4.1 percent) higher than they were in 2005-06.
- Average total tuition and fees at four-year private colleges and universities in 2006-07 are \$22,218, \$1,238 (5.9 percent) higher than they were in 2005-06. Average total charges, including tuition, fees, room, and board are \$30,367.

Variation in Tuition and Fees

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.

- Forty-two percent of full-time undergraduates in public or private four-year colleges and universities are enrolled in institutions with published tuition and fee charges of less than \$6,000 and 13 percent are enrolled in institutions with published tuition and fee charges of \$24,000 or higher.
- In-state public four-year tuition and fees range from an average of \$4,646 in the West to an average of \$7,658 in New England. The lowest price colleges are two-year public colleges in the West, with average tuition and fees of \$1,309; the highest price colleges are four-year private colleges in New England, with average tuition and fees of \$28,386.
- Twenty-two percent of full-time in-state students enrolled in public four-year colleges and universities faced increases in tuition and fees of less than 3 percent in 2006-07, while 20 percent faced increases of 9 percent or more.

What Students Actually Pay

The net price of college is defined as the published price less the average grant aid and tax benefits students receive.

- On average, full-time students receive about \$9,000 of aid per year in the form of grants and tax benefits in private four-year institutions, \$3,100 in public four-year institutions, and \$2,200 in public two-year colleges.
- Net price in public four-year colleges fell in inflation-adjusted dollars between 1997-98 and 2001-02, but has risen rapidly since.

Enrollment Patterns

A quarter of all college students are enrolled part-time in two-year public colleges.

- The proportion of students enrolled in for-profit institutions is increasing.
- Over one-third of first- and second-year college students have taken remedial courses.
- Students take an average of 6.2 years to earn bachelor's degrees in public colleges and 5.3 years to earn bachelor's degrees in private colleges.

Institutional Finances

Reductions in revenue from sources other than tuition, particularly state and local appropriations in the public sector, are associated with rapidly rising public college tuition levels in recent years.

- Private university faculty earn significantly higher salaries than public university faculty and the gap is growing.
- Health benefits and particularly utilities have increased in price more rapidly in recent years than the prices of other goods and services purchased by colleges and universities.
- Many other factors not analyzed in this report also contribute to rising college prices.

2006-07 Increases in Tuition, Fees, Room, and Board

Table 1: Average Published Charges for Undergraduates, 2006-07 (Enrollment-Weighted)

Sector	Tuition and Fees				Room and Board				Total Charges			
	2006-07	2005-06	\$ Change	% Change	2006-07	2005-06	\$ Change	% Change	2006-07	2005-06	\$ Change	% Change
Two-Year Public	\$2,272	\$2,182	\$90	4.1%	*	*	*	*	*	*	*	*
Four-Year Public	\$5,836	\$5,492	\$344	6.3%	\$6,960	\$6,623	\$337	5.1%	\$12,796	\$12,115	\$681	5.6%
Four-Year Private	\$22,218	\$20,980	\$1,238	5.9%	\$8,149	\$7,763	\$386	5.0%	\$30,367	\$28,743	\$1,624	5.7%

*Sample too small to provide meaningful information.

Note: Four-year public tuition and fee levels are based on in-state charges only. Prices reported for 2005-06 have been revised and may differ from those reported in *Trends in College Pricing 2005*.

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

Both 2005-06 and 2006-07 tuition and fees are weighted by the number of full-time students enrolled at each institution in 2005-06. Room and board charges are weighted by the number of students residing on campus. Changes in average enrollment-weighted charges reflect only price changes, not any changes in enrollment patterns that may have occurred.

Average published tuition and fees in 2006-07 are \$5,836 at public four-year colleges and universities, \$2,272 at public two-year colleges, and \$22,218 at private nonprofit four-year colleges and universities.

- The published prices reported in Table 1 are best estimates of the average prices charged to full-time undergraduates. Pricing patterns are increasingly complex as more institutions in both the public and private sectors have begun to post different prices for different groups of students. Some colleges and universities, for example, charge first-year students a higher price than continuing students, promising students that they will be charged the same price for four years. Many institutions also charge prices that vary by program of study.
- Table 1 shows average prices by sector. The average published tuition and fee level for all full-time undergraduate students is \$8,810; the average published tuition and fee level for all full-time undergraduates enrolled in four-year colleges and universities is \$10,480.

Also important:

- Table 1 does not include information on the growing for-profit sector of postsecondary education. In 2004-05, about 7 percent of all students and 9 percent of full-time undergraduates were enrolled in this sector, up from 2 percent a decade earlier. (National Center for Education Statistics [NCES] analysis of the Integrated Postsecondary Education Data System [IPEDS], 2006; calculations by authors) Average published tuition and fee charges for full-time undergraduates enrolled in for-profit colleges in 2006-07 are \$11,925. (*Annual Survey of Colleges*, The College Board)
- The published prices cited here are not representative of the amounts students actually pay. Almost two-thirds of undergraduate students enrolled full-time receive grants that reduce the actual price of college. Many students also receive tax credits, tax deductions, subsidized loans, and work assistance. See Figures 8 and 9 for estimates of net prices paid by students and *Trends in Student Aid 2006* for details about student aid.
- The amount of time it takes to earn a degree has a significant impact on the total price of college. Extra terms of enrollment add to the total tuition and fees paid. In addition, longer periods out of the labor force involve significant costs to students in terms of foregone earnings. As reported in Figure 11a, it takes students an average of more than six years in public four-year colleges and more than five years in private four-year colleges to earn a bachelor's degree.
- Tuition and fees at two-year public colleges in California, where 22 percent of the nation's two-year public college students are enrolled, declined by 12 percent in 2006-07. If California is excluded from the calculation, tuition and fees in this sector increased by 5.1 percent in 2006-07.

Total Student Budgets

Table 2: Sample Average Undergraduate Budgets, 2006-07 (Enrollment-Weighted)

Sector	Tuition and Fees	Books and Supplies	Room and Board	Transportation	Other Expenses	Total**
Two-Year Public						
Resident	\$2,272	\$850	*	*	*	*
Commuter	\$2,272	\$850	\$6,299	\$1,197	\$1,676	\$12,294
Four-Year Public						
Resident	\$5,836	\$942	\$6,960	\$880	\$1,739	\$16,357
Commuter	\$5,836	\$942	\$6,917	\$1,224	\$2,048	\$16,967
Out-of-State	\$15,783	\$942	\$6,960	\$880	\$1,739	\$26,304
Four-Year Private						
Resident	\$22,218	\$935	\$8,149	\$722	\$1,277	\$33,301
Commuter	\$22,218	\$935	\$7,211	\$1,091	\$1,630	\$33,085

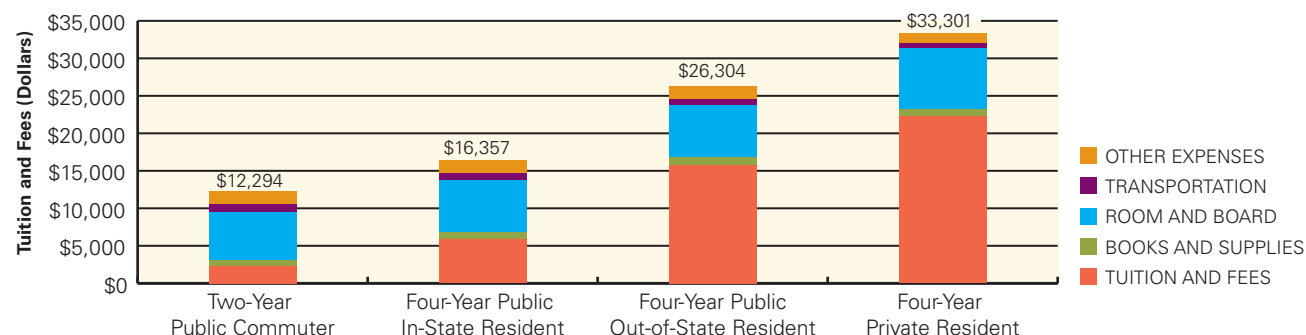
* Sample too small to provide meaningful information.

** 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.

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

Enrollment-weighted tuition and fees are derived by weighting the price charged by each institution in 2006-07 by the number of full-time students enrolled in 2005-06. Room and board charges are weighted by the number of students residing on campus. Out-of-state tuition and fees are weighted by the number of out-of-state students enrolled in each institution.

Figure 2: Sample Average Undergraduate Budgets, 2006-07 (Enrollment-Weighted)



While tuition and fees constitute 67 percent of the total budget for full-time students enrolled in four-year private colleges and universities, they constitute only 36 percent of the budget for in-state residential students at public four-year institutions and 18 percent of the budget for two-year public college students commuting from off-campus housing.

- The differences in the costs of attending different types of institutions are not as great as tuition and fee levels might suggest. Average tuition and fees at public two-year colleges are only 39 percent of average public four-year tuition and fees. But adding the cost of housing and food, the cost of a year at a two-year public college is 67 percent of the cost of a year at a four-year public college. If other education-related expenses are also considered, the average total budget at a two-year public college is 75 percent of the average total budget at a four-year public college.
- Average out-of-state tuition and fees at public four-year colleges are 71 percent of average private four-year tuition and fees. But adding room and board, the cost of a year for an out-of-state student at a public four-year college is 77 percent of the average tuition, fees, room, and board at a private four-year college. The average total out-of-state budget at four-year public colleges is 79 percent of the average private four-year college budget.

Also important:

Most student aid funds, including Pell Grants, Stafford Loans, and campus-based aid, can be used to cover all education-related expenses, including books, supplies, transportation, and personal expenses, in addition to tuition, fees, room, and board. However, federal tax credits and deductions are limited to the amount students or families pay for tuition and fees.

Changes Over Time in Tuition, Fee, Room, and Board Charges

Figure 3: Average Published Tuition and Fee Charges, in Constant (2006) Dollars, 1976-77 to 2006-07 (Enrollment-Weighted)

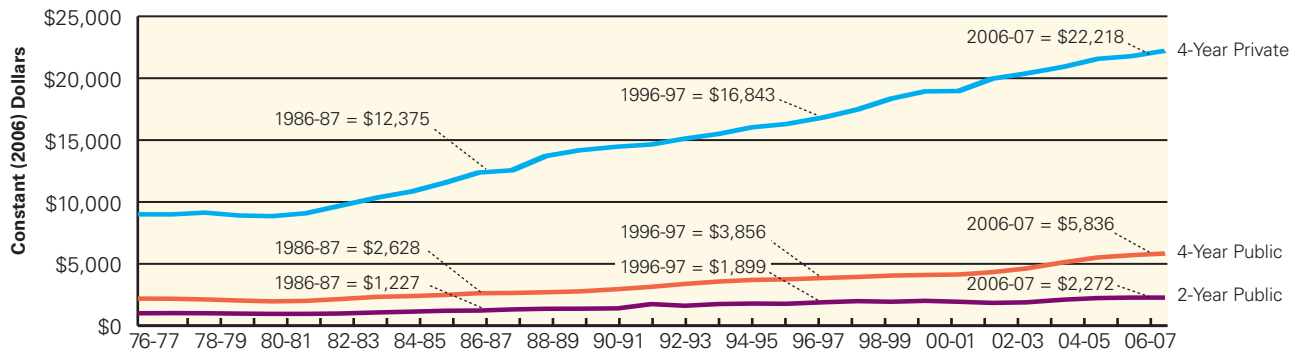
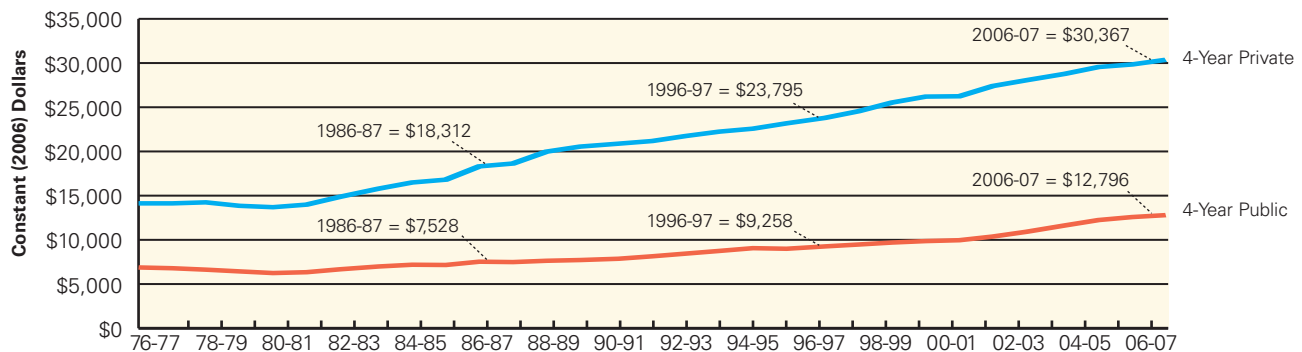


Figure 4: Average Published Tuition, Fee, Room, and Board (TFRB) Charges at Four-Year Institutions, in Constant (2006) Dollars, 1976-77 to 2006-07 (Enrollment-Weighted)



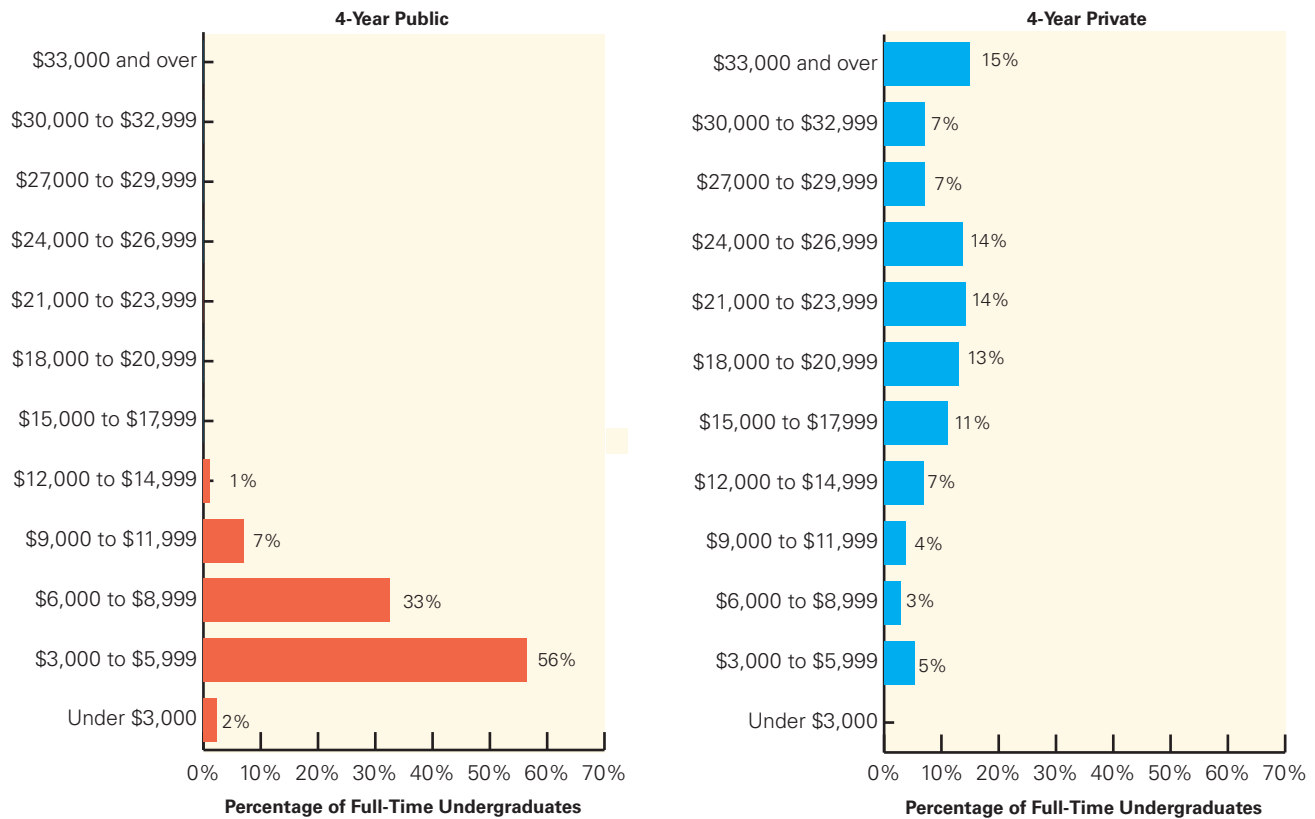
Source: Tables 3a, 3b, 4a, and 4b, and data online (collegeboard.com/trends).

Published college prices have risen rapidly in all sectors since the early 1980s, even after adjusting for inflation. The rate of increase has been significantly higher for public four-year colleges than for public two-year and private four-year colleges.

- The average annual inflation-adjusted increase in private four-year college published tuition and fees has been about 3 percent in each of the past three decades.
- The average annual inflation-adjusted increase in public four-year college published tuition and fees was about 2 percent between 1976-77 and 1986-87, but has been about 4 percent for the past two decades.
- The average annual inflation-adjusted increase in public two-year college published tuition and fees was about 2 percent from 1976-77 to 1986-87, rose to more than 4 percent over the next decade, and returned to about 2 percent in the most recent decade.
- Average published tuition, fee, room, and board charges at private four-year colleges and universities, \$30,367 in 2006-07, have risen at an average annual rate of 2.6 percent since 1976-77, after adjusting for inflation.
- Average published tuition, fee, room, and board charges at public four-year colleges and universities, \$12,796 in 2006-07, have risen at an average annual rate of 2.1 percent since 1976-77, after adjusting for inflation.

Variation in Tuition and Fees

Figure 5: Distribution of Full-Time Undergraduates at Public and Private Four-Year Institutions by Published Tuition and Fee Charges, 2006-07



Note: Only in-state tuition and fees are included for students enrolled in out-of-state public institutions. These students also pay a nonresident fee, as reported in Table 2. The distribution of students across institutions is based on the latest available enrollment data, which are for 2005-06. Percents may not add up to 100 percent due to rounding.

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

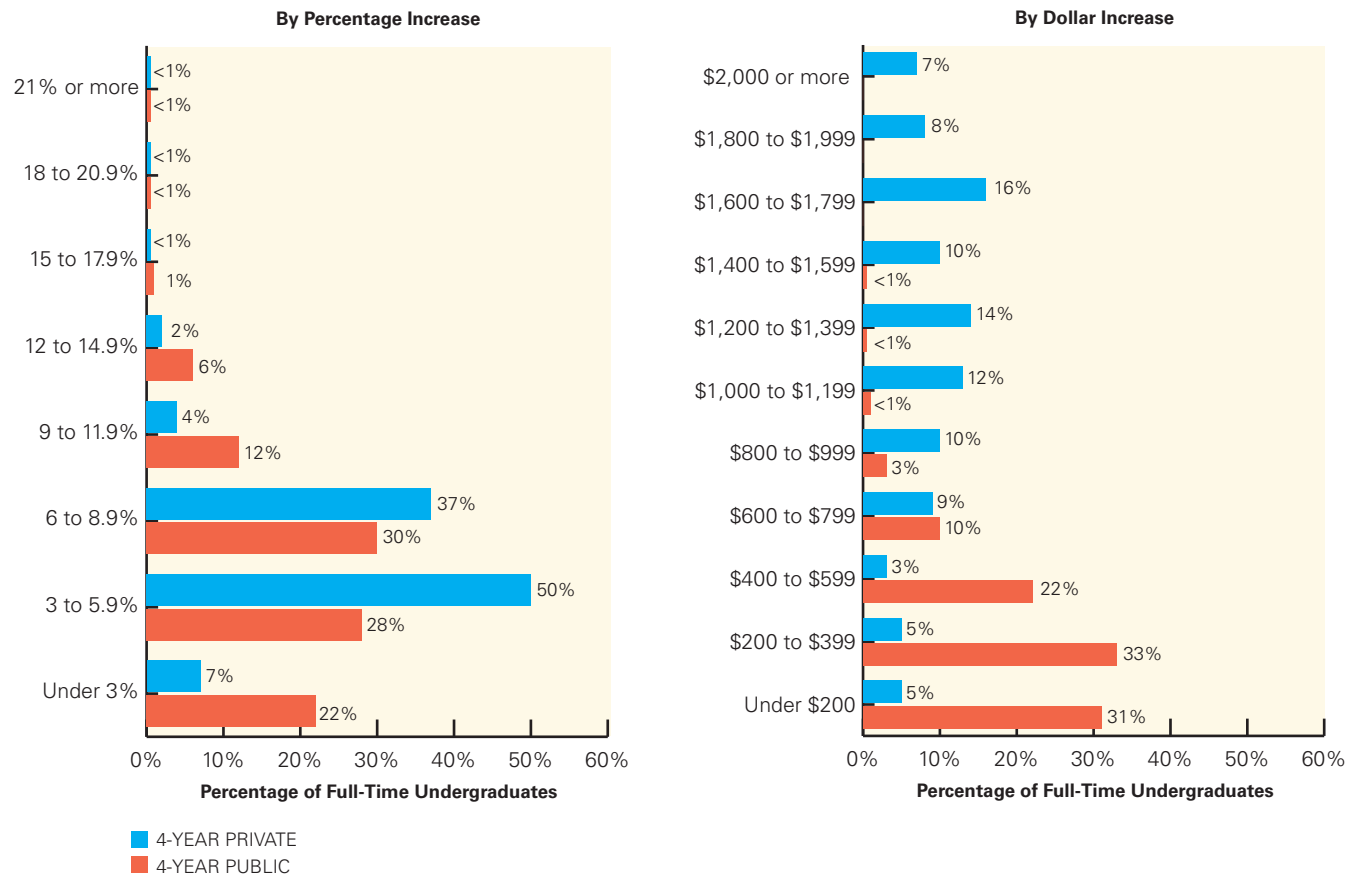
Figure 1 shows the distribution of full-time undergraduates at all four-year colleges and universities, by tuition and fees charged. These graphics show separate distributions for full-time undergraduates at public and private institutions.

Fifty-six percent of full-time students enrolled in public four-year colleges and universities attend institutions that charge published in-state tuition and fees between \$3,000 and \$6,000. At private colleges, there is a much wider range of tuition and fee charges.

- As reported in Table 1, the average published tuition and fee charges for full-time undergraduates enrolled in four-year public colleges and universities in their own states are \$5,836. Very few institutions charge less than \$3,000. About one-third of students in this sector are enrolled in institutions charging between \$6,000 and \$9,000 and about 8 percent face charges exceeding \$9,000.
- As reported in Table 1, the average published tuition and fee charges for full-time undergraduates enrolled in private four-year colleges are \$22,218. Almost 20 percent of students in this sector are enrolled in colleges charging less than \$15,000, while 22 percent attend institutions with published tuition and fees of \$30,000 or more.

Variation in Tuition and Fee Increases

Figure 6: Distribution of Full-Time Undergraduates at Public and Private Four-Year Institutions by Percent and Dollar Increase in Published Tuition and Fee Charges, 2006-07



Note: Only in-state tuition and fees are included for students enrolled in out-of-state public institutions. These students also pay a nonresident fee, as reported in Table 2. The distribution of students across institutions is based on the latest available enrollment data, which are for 2005-06. Percents may not add up to 100 percent due to rounding.

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

Many institutions reported published tuition and fee increases for 2006-07 considerably higher or lower than the average increases displayed in Table 1.

- Twenty-two percent of full-time undergraduates enrolled in public four-year institutions attend colleges and universities that increased their tuition by less than 3 percent in 2006-07. Twenty percent attend colleges and universities that increased their tuition by 9 percent or more.
- The institutions attended by 50 percent of full-time private college students increased published tuition and fees by 3 to 6 percent between 2005-06 and 2006-07. However, about 7 percent of full-time private college students are enrolled in institutions where prices rose less than 3 percent and 7 percent are enrolled in institutions where prices rose 9 percent or more.
- Although percentage price increases in the private sector vary less than percentage price increases in the public sector, there is a much wider range of dollar increases. Almost two-thirds of public four-year college students are enrolled in institutions that increased published in-state tuition and fees by less than \$400 between 2005-06 and 2006-07, and all but 4 percent faced price increases below \$800. Ten percent of private college students are enrolled in institutions that increased published tuition and fees by less than \$400, but the median increase was about \$1,300 and 15 percent of the full-time students in this sector faced published price increases exceeding \$1,800.

Tuition and Fee Levels Over Time

Table 3a: Average Published Tuition and Fee Charges, Five-Year Intervals, 1976-77 to 2006-07 (Enrollment-Weighted)

Academic Year	Tuition and Fees—Current Dollars						Tuition and Fees—Constant (2006) Dollars					
	Private Four-Year	5-yr % Chg	Public Four-Year	5-yr % Chg	Public Two-Year	5-yr % Chg	Private Four-Year	5-yr % Chg	Public Four-Year	5-yr % Chg	Public Two-Year	5-yr % Chg
76-77	\$2,534		\$617		\$283		\$9,001		\$2,192		\$1,005	
81-82	\$4,113	62%	\$909	47%	\$434	53%	\$9,086	1%	\$2,008	-8%	\$959	-5%
86-87	\$6,658	62%	\$1,414	56%	\$660	52%	\$12,375	36%	\$2,628	31%	\$1,227	28%
91-92	\$9,812	47%	\$2,107	49%	\$1,171	77%	\$14,646	18%	\$3,145	20%	\$1,748	42%
96-97	\$12,994	32%	\$2,975	41%	\$1,465	25%	\$16,843	15%	\$3,856	23%	\$1,899	9%
01-02	\$17,377	34%	\$3,766	27%	\$1,608	10%	\$19,962	19%	\$4,326	12%	\$1,847	-3%
06-07	\$22,218	28%	\$5,836	55%	\$2,272	41%	\$22,218	11%	\$5,836	35%	\$2,272	23%

Table 3b: Average Annual Published Tuition and Fee Charges, 1996-97 to 2006-07 (Enrollment-Weighted)

Academic Year	Tuition and Fees—Current Dollars						Tuition and Fees—Constant (2006) Dollars					
	Private Four-Year	Annual % Change	Public Four-Year	Annual % Change	Public Two-Year	Annual % Change	Private Four-Year	Annual % Change	Public Four-Year	Annual % Change	Public Two-Year	Annual % Change
96-97	\$12,994		\$2,975		\$1,465		\$16,843		\$3,856		\$1,899	
97-98	\$13,785	6%	\$3,111	5%	\$1,567	7%	\$17,480	4%	\$3,945	2%	\$1,987	5%
98-99	\$14,709	7%	\$3,247	4%	\$1,554	-1%	\$18,355	5%	\$4,052	3%	\$1,939	-2%
99-00	\$15,518	6%	\$3,362	4%	\$1,649	6%	\$18,935	3%	\$4,102	1%	\$2,012	4%
00-01	\$16,072	4%	\$3,508	4%	\$1,642	0%	\$18,965	0%	\$4,139	1%	\$1,938	-4%
01-02	\$17,377	8%	\$3,766	7%	\$1,608	-2%	\$19,962	5%	\$4,326	5%	\$1,847	-5%
02-03	\$18,060	4%	\$4,098	9%	\$1,674	4%	\$20,379	2%	\$4,624	7%	\$1,889	2%
03-04	\$18,950	5%	\$4,645	13%	\$1,909	14%	\$20,931	3%	\$5,131	11%	\$2,109	12%
04-05	\$20,045	6%	\$5,126	10%	\$2,079	9%	\$21,568	3%	\$5,516	8%	\$2,237	6%
05-06	\$20,980	5%	\$5,492	7%	\$2,182	5%	\$21,781	1%	\$5,702	3%	\$2,265	1%
06-07	\$22,218	6%	\$5,836	6%	\$2,272	4%	\$22,218	2%	\$5,836	2%	\$2,272	0%

Source: 1987-88 to 2006-07: 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), NCES, weighted by full-time equivalent enrollment.

Current dollar charges reflect each year's actual dollar prices. Constant dollar charges adjust these prices for inflation. Increases in constant dollar prices indicate increases beyond the average increase in consumer prices. Charges for 2005-06 and earlier years are weighted by same year enrollments. Charges for 2006-07 are weighted by 2005-06 enrollments.

The 35 percent inflation-adjusted increase in public four-year college published tuition and fees between 2001-02 and 2006-07 is higher than any other five-year increase from 1976-77 to the present.

- Average two-year public college published tuition and fee increases fluctuate more than those in the four-year sectors and it is not uncommon for tuition and fees to decline or remain constant in inflation-adjusted dollars from one year to the next.
- Over the past decade, published tuition and fees at private four-year colleges and universities have risen at an average rate of 5.5 percent per year—2.8 percent per year after inflation.
- Over the past decade, published tuition and fees at public four-year colleges and universities have risen at an average rate of 7 percent per year—4.2 percent per year after inflation.
- Over the past decade, published tuition and fees at public two-year colleges have risen at an average rate of 4.5 percent per year—1.8 percent per year after inflation.

Also important:

- Because of the important role of grants and other forms of student aid in reducing the net price of college, published price increases do not necessarily correspond to increases in the amounts the majority of students and families pay.
- Increases in tuition and fee levels are driven by a variety of factors including changes in funding from other sources such as state and local appropriations or endowments and private giving. The prices paid for the goods and services required for providing education, the patterns of expenditures, and the services offered on college campuses have changed considerably over time. See Figures 14 through 16 for more information on institutional revenues and expenditures.

Tuition, Fee, Room, and Board Charges Over Time

Table 4a: Average Published Tuition, Fee, Room, and Board (TFRB) Charges at Four-Year Institutions, Five-Year Intervals, 1976-77 to 2006-07 (Enrollment-Weighted)

Academic Year	Total Charges—Current Dollars				Total Charges—Constant (2006) Dollars			
	Private Four-Year	5-yr % Chg	Public Four-Year	5-yr % Chg	Private Four-Year	5-yr % Chg	Public Four-Year	5-yr % Chg
76-77	\$3,977		\$1,936		\$14,127		\$6,877	
81-82	\$6,330	59%	\$2,870	48%	\$13,984	-1%	\$6,340	-8%
86-87	\$9,852	56%	\$4,050	41%	\$18,312	31%	\$7,528	19%
91-92	\$14,188	44%	\$5,452	35%	\$21,178	16%	\$8,138	8%
96-97	\$18,357	29%	\$7,142	31%	\$23,795	12%	\$9,258	14%
01-02	\$23,856	30%	\$9,032	26%	\$27,404	15%	\$10,375	12%
06-07	\$30,367	27%	\$12,796	42%	\$30,367	11%	\$12,796	23%

Table 4b: Average Annual Published Tuition, Fee, Room, and Board Charges, 1996-97 to 2006-07 (Enrollment-Weighted)

Academic Year	Total Charges—Current Dollars				Total Charges—Constant (2006) Dollars			
	Private Four-Year	Annual % Change	Public Four-Year	Annual % Change	Private Four-Year	Annual % Change	Public Four-Year	Annual % Change
96-97	\$18,357		\$7,142		\$23,795		\$9,258	
97-98	\$19,360	5%	\$7,469	5%	\$24,549	3%	\$9,471	2%
98-99	\$20,463	6%	\$7,769	4%	\$25,535	4%	\$9,695	2%
99-00	\$21,475	5%	\$8,080	4%	\$26,204	3%	\$9,859	2%
00-01	\$22,240	4%	\$8,439	4%	\$26,243	0%	\$9,958	1%
01-02	\$23,856	7%	\$9,032	7%	\$27,404	4%	\$10,375	4%
02-03	\$24,867	4%	\$9,672	7%	\$28,060	2%	\$10,914	5%
03-04	\$26,057	5%	\$10,530	9%	\$28,781	3%	\$11,631	7%
04-05	\$27,465	5%	\$11,376	8%	\$29,552	3%	\$12,240	5%
05-06	\$28,743	5%	\$12,115	6%	\$29,841	1%	\$12,578	3%
06-07	\$30,367	6%	\$12,796	6%	\$30,367	2%	\$12,796	2%

Source: 1987-88 to 2006-07: 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 IPEDS, NCES, weighted by full-time equivalent enrollment.

Current dollar charges reflect each year's actual dollar prices. Constant dollar charges adjust these prices for inflation. Increases in constant dollar prices indicate increases beyond the average increase in consumer prices. Charges for 2005-06 and earlier years are weighted by same year enrollments. Charges for 2006-07 are weighted by 2005-06 enrollments

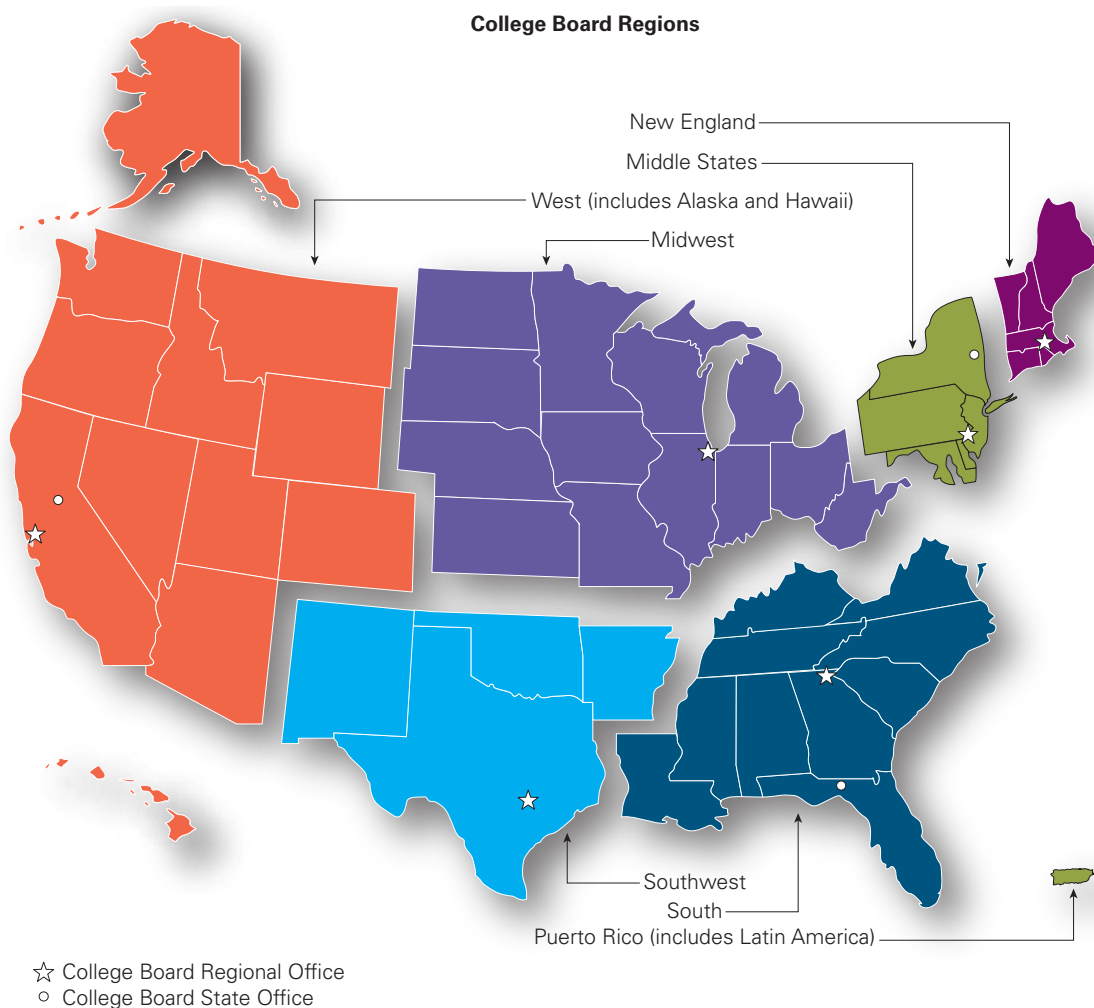
Total tuition, fee, room, and board charges are more representative of the total price of a year of college than tuition and fees alone. Students who live off-campus incur similar costs.

- Total published tuition, fee, room, and board charges at public four-year colleges grew twice as fast in inflation-adjusted dollars between 2001-02 and 2006-07 as charges at private four-year colleges. However, the average total charge at private colleges is almost two-and-a-half times as high as the average total charge for state residents at public four-year colleges and universities.
- Over the past decade, total charges for full-time in-state residential students at public four-year colleges have risen at an average rate of 6.3 percent per year—3.3 percent per year after adjusting for inflation.
- Over the past decade, total charges for full-time students at private four-year colleges have risen at an average rate of 5.6 percent per year—2.6 percent per year after adjusting for inflation.

Also important:

- In addition to tuition, fees, room, and board, students' full cost of attendance includes the books, supplies, transportation, and other living expenses included in the student budgets reported in Table 2 and Figure 2.
- Forty percent of full-time dependent students enrolled in public four-year colleges and universities live on campus. Another 40 percent live in off-campus housing and about 20 percent live with their parents. Among dependent four-year private college students, 64 percent live on campus, 19 percent live in off-campus housing, and 17 percent live with their parents. (National Postsecondary Student Aid Study, 2004)

Regional Variation in Charges



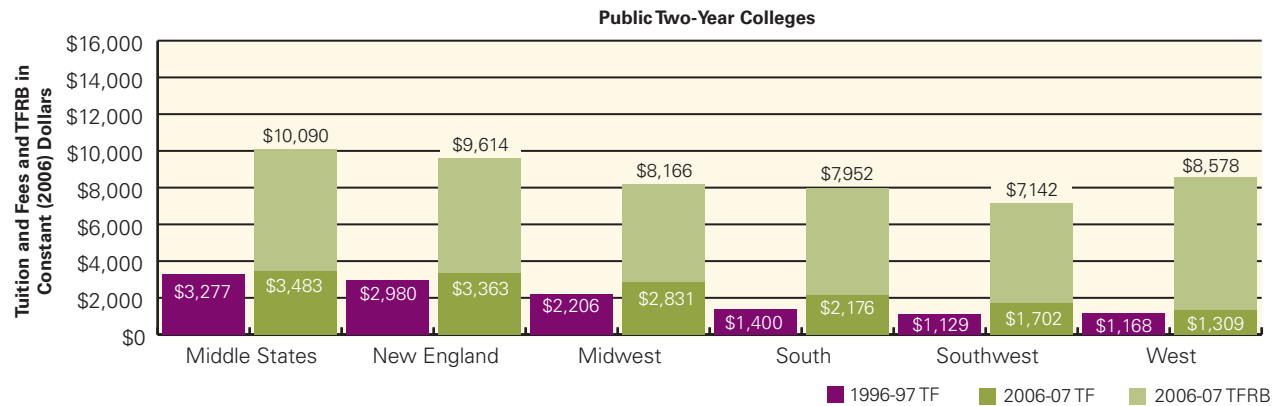
In all regions except the South, public four-year tuition and fees grew more rapidly than tuition and fees in other sectors between 1996-97 and 2006-07.

- In 2006-07, average tuition and fees at two-year public colleges range from \$1,309 in the West to \$3,483 in the Middle States region. A decade ago, tuition and fees were lowest in the Southwest, but a 51 percent increase, compared to 12 percent in the West, changed this ranking.
- The largest percentage increase in tuition and fees at public two-year colleges over the decade was 55 percent in the South. The smallest was 6 percent in the Middle States region, which remains the highest priced.
- The total average tuition, fee, room, and board charges at public four-year colleges ranges from \$15,269 in New England to \$10,852 in the South.
- Despite average tuition and fees of \$4,646, lower than any other region, average total tuition, fees, room, and board at four-year public colleges and universities in the West are \$13,399—higher than those in the South and Southwest and almost as high as those in the Midwest.
- The average price of private colleges is highest in the areas of the country where there are more private institutions drawing students from all across the nation and lower in areas where private colleges serve a more regional population. The \$38,112 average tuition, fee, room, and board charges at private colleges in New England compare to an average of \$24,838 in the Southwest.

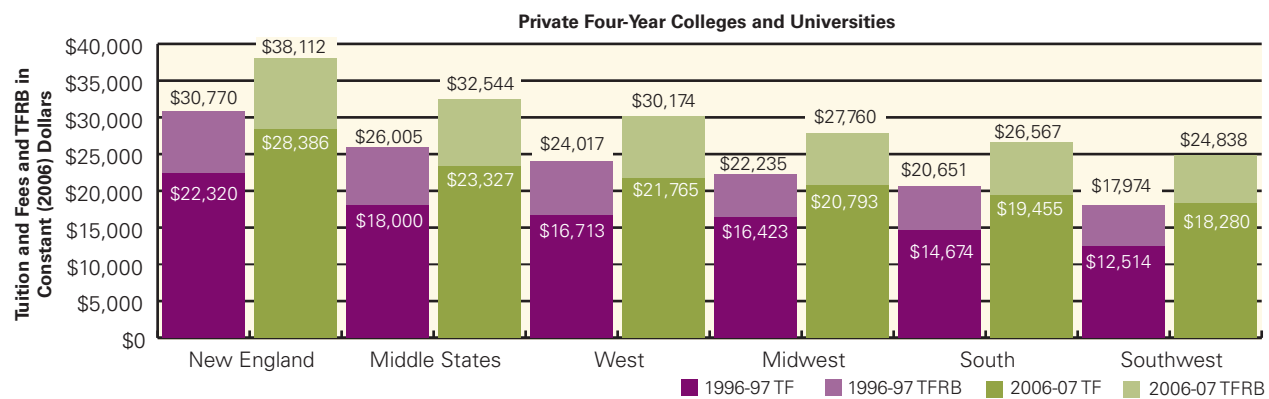
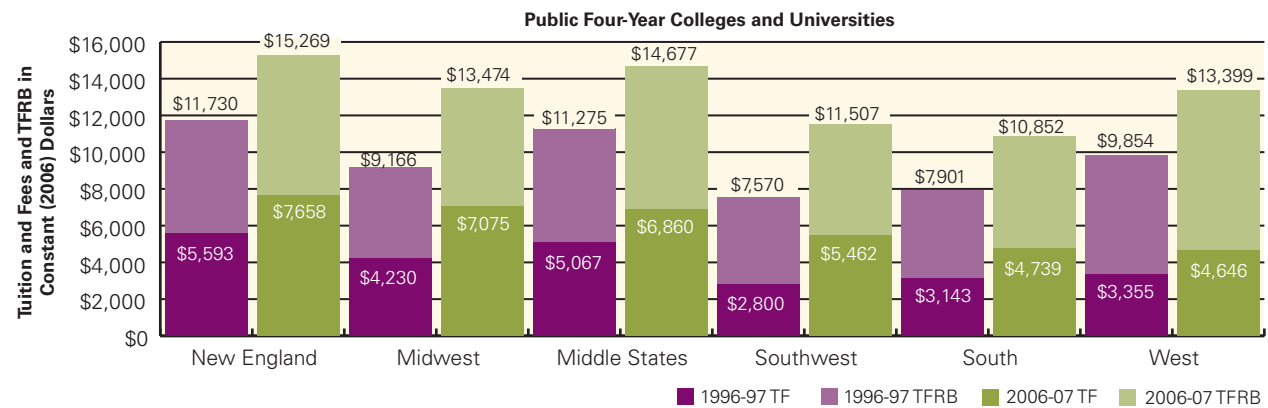
Regional Variation in Charges

Figure 7: Tuition, Fee, Room, and Board (TFRB) Charges by College Board Region and Institution Type, in Constant (2006) Dollars, 1996-97 and 2006-07 (Enrollment-Weighted)

The bottom segment of each bar represents tuition and fees (TF) in 1996-97 (in constant 2006 dollars) or 2006-07. The top segment of each bar represents the room and board portion of TFRB in 1996-97 or 2006-07, with the total height of each bar representing TFRB.



Note: 2006-07 TFRB charges for public two-year colleges are based on room and board expenses for students living off campus and not with parents. Comparable data are not available for 1996-97.



Note: All data adjusted for inflation (constant dollars). The scale on the graphic for private colleges is different from the scale on the public four-year and public two-year graphics. Regions appear in descending order based on tuition and fees in 2006-07.

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.

Student Budgets by Region

Table 5: Average Student Expenses, by College Board Region, 2006-07 (Enrollment-Weighted)

	Tuition and Fees	Additional Out-of-State Charges*	Books and Supplies	Resident			Commuter		
				Room and Board	Transportation	Other Costs	Room and Board**	Transportation	Other Costs
National									
2-yr public	\$2,272	\$4,208	\$850	----	----	----	\$6,299	\$1,197	\$1,676
4-yr public	\$5,836	\$9,947	\$942	\$6,960	\$880	\$1,739	\$6,917	\$1,224	\$2,048
4-yr private	\$22,218		\$935	\$8,149	\$722	\$1,277	\$7,211	\$1,091	\$1,630
New England									
2-yr public	\$3,363	\$6,143	\$779	----	----	----	\$6,251	\$1,108	\$1,600
4-yr public	\$7,658	\$11,128	\$848	\$7,611	\$522	\$1,257	\$6,495	\$923	\$1,493
4-yr private	\$28,386		\$896	\$9,726	\$573	\$1,141	\$8,132	\$871	\$1,223
Middle States									
2-yr public	\$3,483	\$3,492	\$828	----	----	----	\$6,607	\$1,099	\$1,516
4-yr public	\$6,860	\$8,314	\$938	\$7,817	\$660	\$1,607	\$6,946	\$989	\$2,112
4-yr private	\$23,327		\$905	\$9,217	\$581	\$1,179	\$8,064	\$1,024	\$1,466
South									
2-yr public	\$2,176	\$4,835	\$817	----	----	----	\$5,776	\$1,364	\$1,474
4-yr public	\$4,739	\$11,003	\$877	\$6,113	\$1,097	\$1,673	\$6,356	\$1,382	\$1,883
4-yr private	\$19,455		\$917	\$7,112	\$963	\$1,423	\$6,600	\$1,290	\$1,868
Midwest									
2-yr public	\$2,831	\$3,549	\$817	----	----	----	\$5,335	\$1,272	\$1,608
4-yr public	\$7,075	\$10,048	\$828	\$6,399	\$793	\$1,850	\$6,201	\$1,122	\$2,089
4-yr private	\$20,793		\$938	\$6,967	\$709	\$1,204	\$6,229	\$1,131	\$1,831
Southwest									
2-yr public	\$1,702	\$3,028	\$755	----	----	----	----	\$1,380	\$1,571
4-yr public	\$5,462	\$7,300	\$918	\$6,045	\$1,226	\$1,932	\$5,992	\$1,594	\$2,059
4-yr private	\$18,280		\$935	\$6,558	\$925	\$1,396	\$5,812	\$1,210	\$1,498
West									
2-yr public	\$1,309	\$4,603	\$967	----	----	----	\$7,269	\$1,010	\$2,024
4-yr public	\$4,646	\$10,526	\$1,187	\$8,753	\$930	\$1,905	\$8,417	\$1,212	\$2,199
4-yr private	\$21,765		\$1,073	\$8,409	\$707	\$1,656	\$7,568	\$975	\$1,651

* The average out-of-state tuition and fee charges are computed as the sum of the enrollment-weighted average in-state tuition and fees plus the average out-of-state premium, weighted by full-time out-of-state enrollments in each institution.

** 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.

Dashes indicate that the sample was too small to provide meaningful information.

The total budgets students must cover with a combination of student and family resources, student aid, and employment are similar for residential students and commuter students not living with their parents.

- Average institutional estimates of the annual cost of books and supplies range from \$755 at public two-year colleges in the Southwest to \$1,187 at public four-year colleges in the West.
- The \$9,947 national average out-of-state charge for nonresidents enrolled in four-year public colleges reflects a 30 percent increase from 2005-06, resulting in an increase in total published tuition and fees of about 20 percent for these students. (*Trends in College Pricing*, 2005)

Net Price: Private Four-Year Colleges and Universities

Figure 8a: Net Price: Published Tuition and Fee Charges Compared to Tuition and Fees After Average Grant and Education Tax Benefits Per Full-Time Undergraduate Student, Private Four-Year Colleges and Universities, in Constant (2006) Dollars, 1996-97 to 2006-07

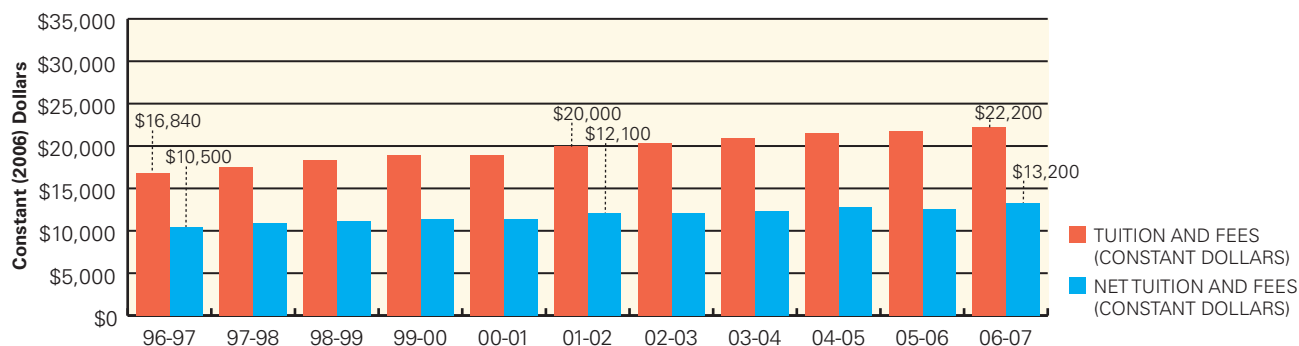
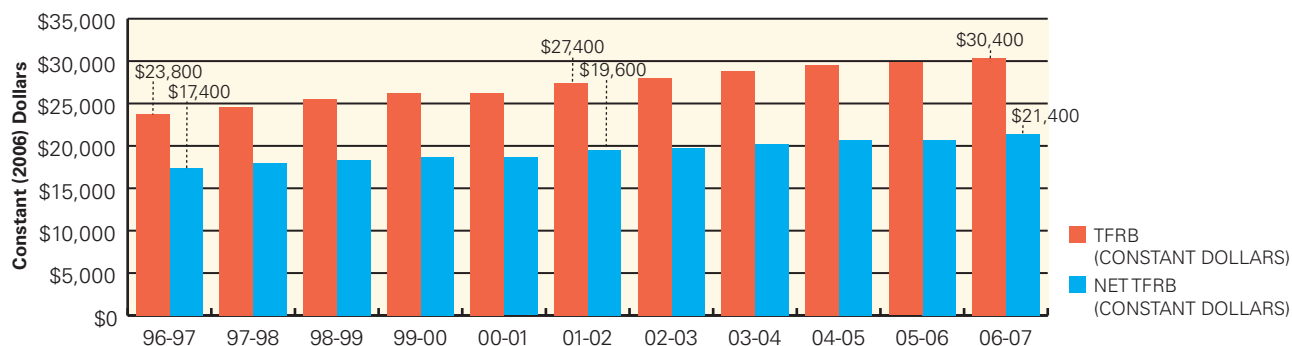


Figure 8b: Published Tuition, Fee, Room, and Board (TFRB) Charges Compared to TFRB After Average Grant and Education Tax Benefits Per Full-Time Undergraduate Student, Private Four-Year Colleges and Universities, in Constant (2006) Dollars, 1996-97 to 2006-07



Note: Grant aid for 2006-07 is estimated based on 2005-06 data. Detailed data for Figures 8a and 8b are available at collegeboard.com/trends.

Average net price is calculated by subtracting average grant aid and tax benefits per full-time student from the published price. Average aid is calculated by dividing total grants and tax benefits received by full-time students in private four-year colleges by full-time enrollments in the sector.

On average, full-time students enrolled in private colleges and universities receive about \$9,000 in grants and tax benefits from the federal government, state governments, institutions, and private sources. This aid reduces the average tuition and fees paid from the published 2006-07 price of \$22,218 to a net price of about \$13,200.

- Not apparent in the average net prices illustrated here is the reality that both federal education tax benefits and the changing distribution of state and institutional grant aid have reduced the average net price for middle- and upper-income students relative to the net price for lower-income students. (See Figure 9b.)
- Average net tuition and fees at private four-year colleges have increased at an average rate of about 2.4 percent per year in inflation-adjusted dollars over the past decade. Net tuition, fee, room, and board charges have increased at an average rate of about 2.1 percent per year.
- On average, grants from all sources plus federal tax credits and deductions cover about 40 percent of published tuition and fees and 30 percent of published tuition, fee, room, and board charges for full-time private college students.
- The average \$5,700 per student in institutional grant aid received by full-time students enrolled in private four-year colleges and universities constitutes 70 percent of their grant aid.

Net Price: Public Four-Year Colleges and Universities

Figure 8c: Net Price: Published Tuition and Fee Charges Compared to Tuition and Fees After Average Grant and Education Tax Benefits Per Full-Time Undergraduate Student, Public Four-Year Colleges and Universities, in Constant (2006) Dollars, 1996-97 to 2006-07

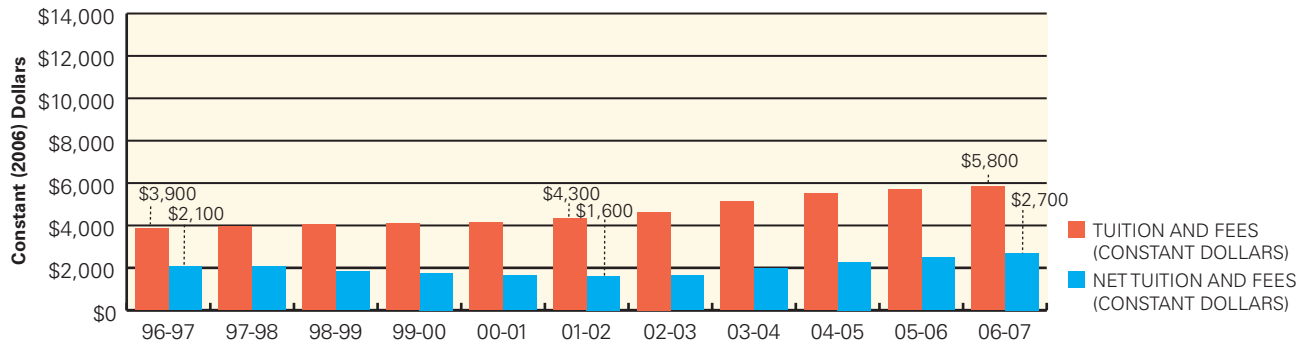
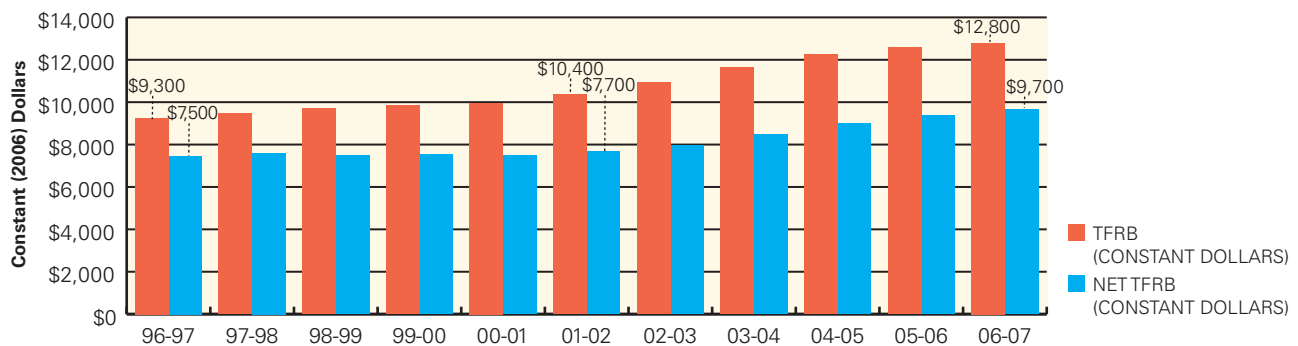


Figure 8d: Published Tuition, Fee, Room, and Board (TFRB) Charges Compared to TFRB After Average Grant and Education Tax Benefits Per Full-Time Undergraduate Student, Public Four-Year Colleges and Universities, in Constant (2006) Dollars, 1996-97 to 2006-07



Note: Grant aid for 2006-07 is estimated based on 2005-06 data. Detailed data for Figures 8c and 8d are available at collegeboard.com/trends.

Average net price is calculated by subtracting average grant aid and tax benefits per full-time student from the published price. Average aid is calculated by dividing total grants and tax benefits received by full-time students in public four-year colleges by full-time enrollments in the sector.

On average, full-time students enrolled in public four-year colleges and universities receive about \$3,100 in grants and tax benefits from the federal government, state governments, institutions, and private sources. This aid reduces the average tuition and fees paid from the published 2006-07 in-state price of \$5,836 to about \$2,700.

- Not apparent in the estimated average prices illustrated here is the reality that both federal education tax benefits and the changing distribution of state and institutional grant aid have reduced the average net price for middle- and upper-income students relative to the net price for lower-income students. (See Figure 9a.)
- Average net tuition and fees at public four-year colleges have increased at an average rate of about 2.7 percent per year in inflation-adjusted dollars over the past decade. Net tuition, fee, room, and board charges have increased at an average rate of about 2.6 percent per year.
- The 29 percent increase in average in-state net tuition and fees at public four-year colleges over the decade reflects a decline of about 24 percent, from \$2,100 to \$1,600 in 2006 dollars between 1996-97 and 2001-02, followed by an increase of about 69 percent, from \$1,600 to \$2,700 between 2001-02 and 2006-07.
- On average, grants from all sources plus federal tax credits and deductions cover about 53 percent of tuition and fees and 24 percent of published tuition, fee, room, and board charges for full-time four-year public college students.

Net Price: Public Two-Year Colleges

Figure 8e: Net Price: Published Tuition and Fee Charges Compared to Tuition and Fees After Average Grant and Education Tax Benefits Per Full-Time Undergraduate Student, Public Two-Year Colleges, in Constant (2006) Dollars, 1996-97 to 2006-07

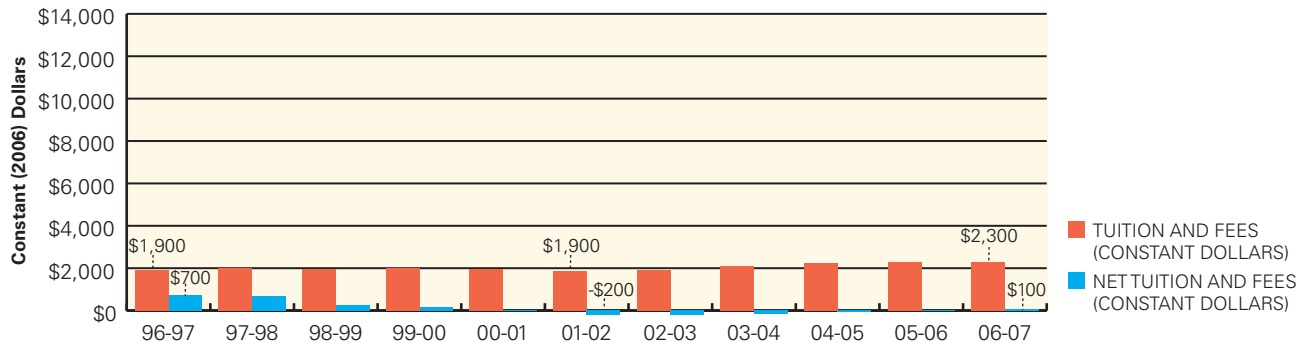
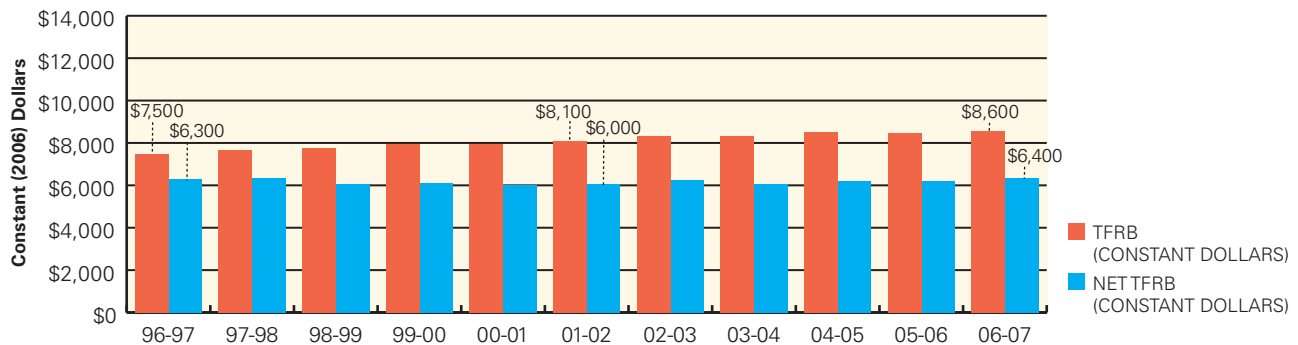


Figure 8f: Net Price: Published Tuition, Fee, Room, and Board (TFRB) Charges Compared to TFRB After Average Grant and Education Tax Benefits Per Full-Time Undergraduate Student, Public Two-Year Colleges, in Constant (2006) Dollars, 1996-97 to 2006-07



Note: Grant aid for 2006-07 is estimated based on 2005-06 data. For two-year public college students, room and board refer to the cost of off-campus housing and food. Detailed data for Figures 8e and 8f are available at collegeboard.com/trends.

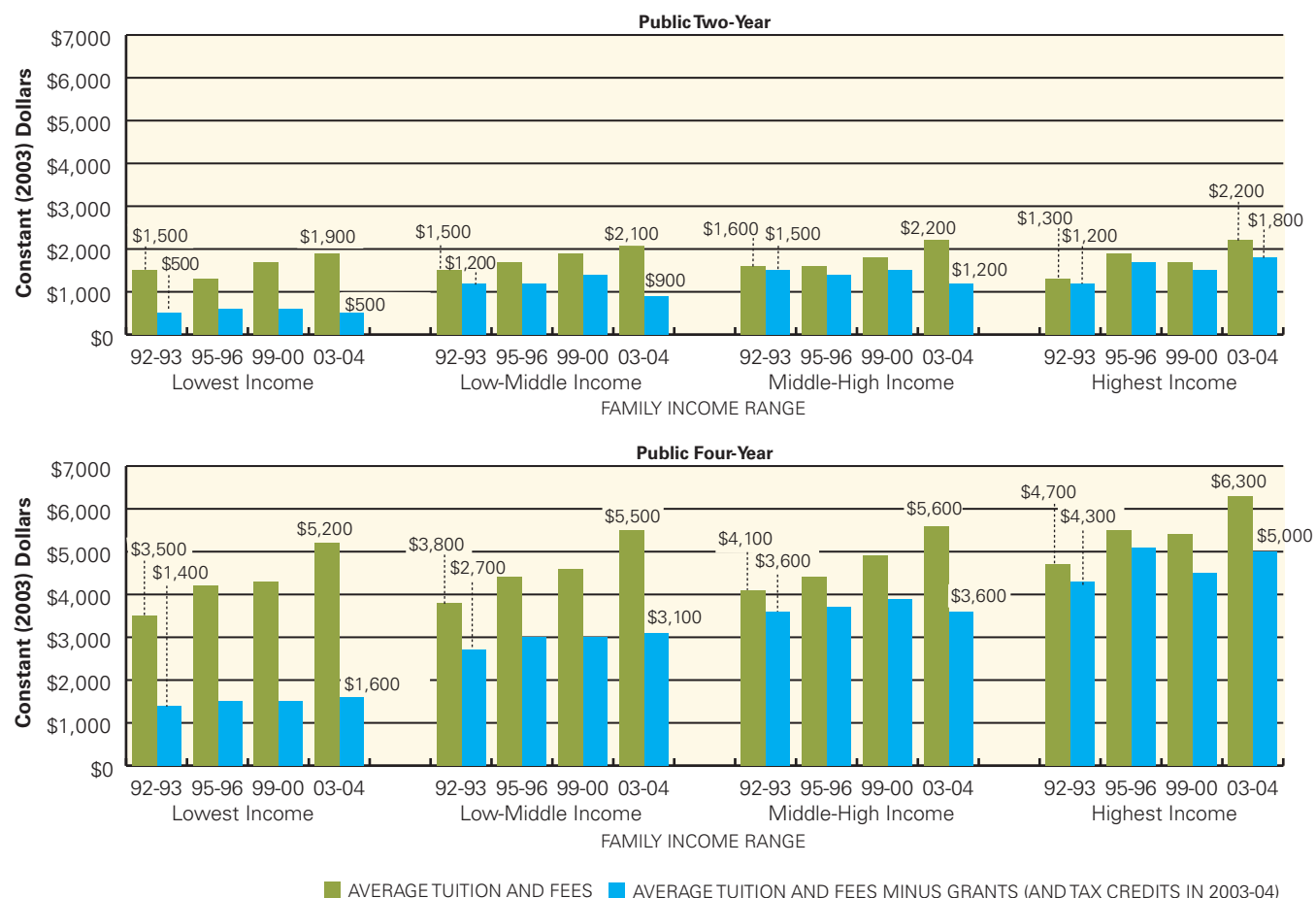
Average net price is calculated by subtracting average grant aid and tax benefits per full-time student from the published price. Average aid is calculated by dividing total grants and tax benefits received by full-time students in public two-year colleges by full-time enrollments in the sector.

On average, full-time students enrolled in public two-year colleges receive about \$2,200 in grants and tax benefits from the federal government, state governments, institutions, and private sources. This aid reduces the average tuition and fees paid from the published 2006-07 price of \$2,272 to a net price of under \$100.

- Over the decade, average net tuition and fees at public two-year colleges have declined by about \$600 in constant 2006 dollars. The net price of tuition, fees, housing, and food for full-time two-year public college students has increased by less than \$100.
- On average, grants from all sources plus federal tax credits and deductions cover all but about \$100 of tuition and fees for the average full-time two-year public college student, but cover only about a quarter of total tuition, fee, housing, and food costs.

Net Prices by Family Income: Public Institutions

Figure 9a: Published Tuition and Fee Charges Compared to Tuition and Fees After Grants and Education Tax Benefits, Full-Time Dependent Students, in Constant (2003) Dollars, 1992-93 to 2003-04



Note: Net price is calculated as the average of tuition and fees minus grants (and tax credits in 2004) for individual students. Negative net tuition and fees are set to zero before averaging. Income ranges in 2003-04 are: less than \$35,000; \$35,000 to \$62,999; \$63,000 to \$94,999; and \$95,000 and higher. Income ranges in other years are comparable in 2003 dollars. Detailed data for Figure 9a are available at collegeboard.com/trends.

Source: NPSAS: 1993, 1996, 2000, 2004, Undergraduates; calculations by authors.

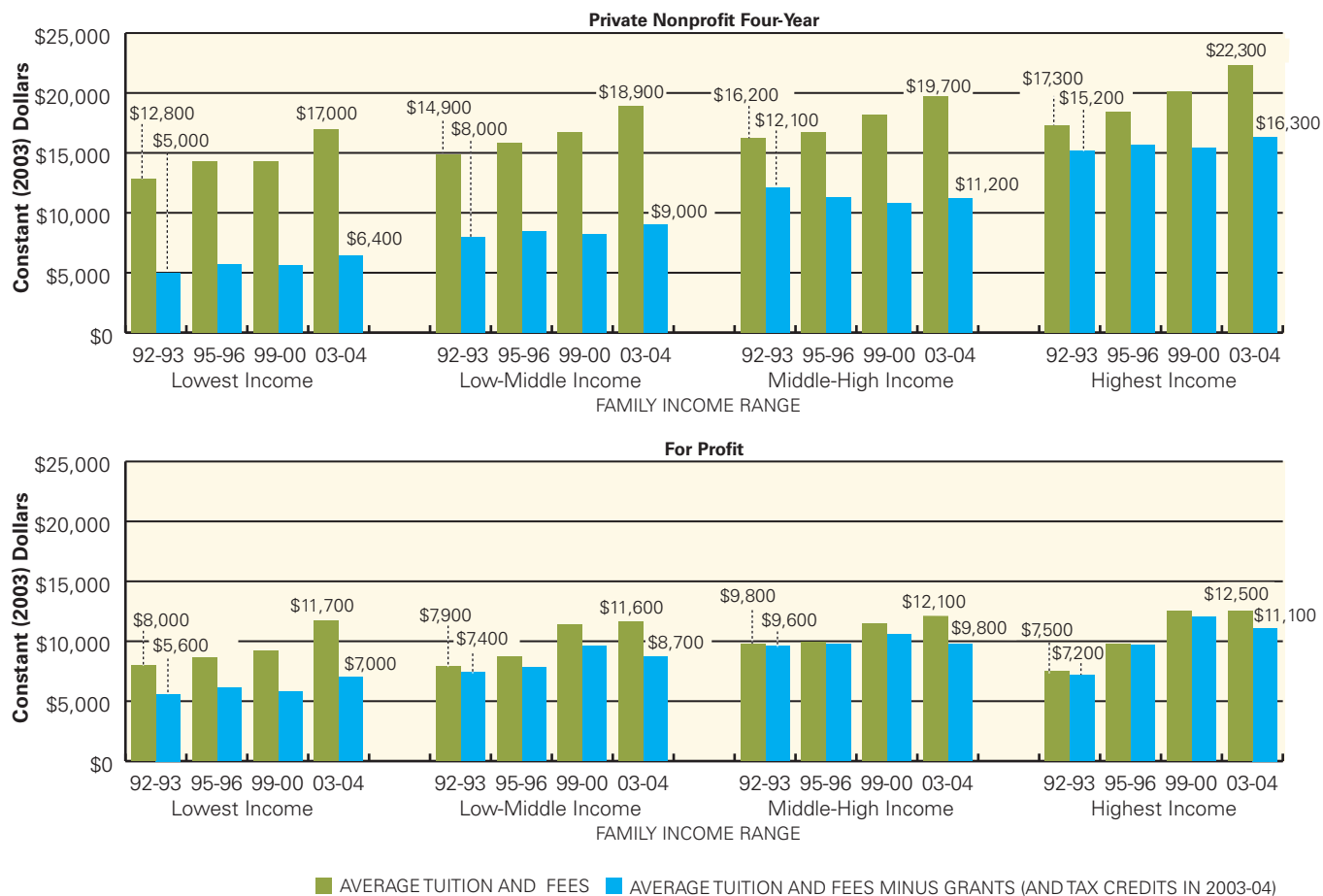
In 2003-04, the proportions of full-time dependent students in public two-year colleges receiving grant aid and tax benefits that reduced net tuition and fees to zero were, by family income categories: lowest income, 60 percent; low-middle income, 21 percent; middle-high income, 10 percent; highest income, 8 percent. The proportions with zero net tuition and fees among four-year public college students were 56 percent, 18 percent, 11 percent, and 9 percent, respectively.

In 2003-04, 60 percent of full-time dependent public two-year college students and 56 percent of full-time dependent public four-year college students from families with incomes below \$30,000 received sufficient grants and tax benefits to cover their tuition and fees.

- In 2003-04, the average net tuition and fees of \$500 paid by the lowest income two-year public college students were about 28 percent of the \$1,800 paid by those from families with incomes of \$95,000 or higher. Students from families with incomes between \$35,000 and \$63,000 paid about half the net price paid by the most affluent students and those from families with incomes between \$63,000 and \$95,000 paid about two-thirds as much as the most affluent.
- In 2003-04, the average net tuition and fees of \$1,600 paid by the lowest income four-year public college and university students were about 32 percent of the \$5,000 paid by those from families with incomes of \$95,000 or higher. Students from families with incomes between \$35,000 and \$63,000 paid about 62 percent of the net price paid by the most affluent students and those from families with incomes between \$63,000 and \$95,000 paid about 72 percent as much as the most affluent families.

Net Prices by Family Income: Private Nonprofit and For-Profit Institutions

Figure 9b: Published Tuition and Fee Charges Compared to Tuition and Fees After Grants and Education Tax Benefits, Full-Time Dependent Students, in Constant (2003) Dollars, 1992-93 and 2003-04



Note: Net price is calculated as the average of tuition and fees minus grants (and tax credits in 2004) for individual students. Negative net tuition and fees are set to zero before averaging. Income ranges in 2003-04 are: less than \$35,000; \$35,000 to \$62,999; \$63,000 to \$94,999; and \$95,000 and higher. Income ranges in other years are comparable in 2003 dollars. Detailed data for Figure 9b are available at collegeboard.com/trends.

Source: NPSAS: 1993, 1996, 2000, 2004 Undergraduates; calculations by authors.

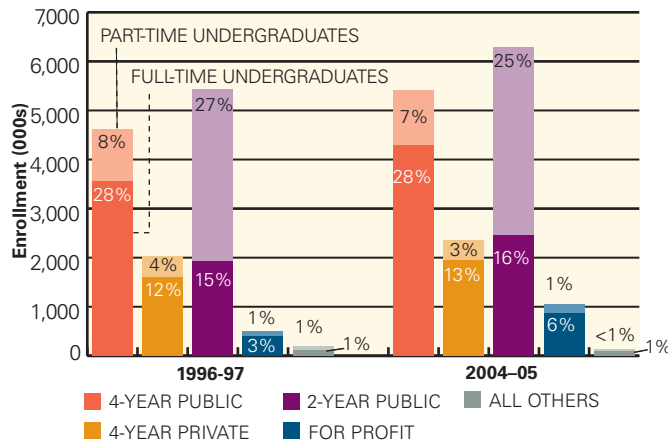
In 2003-04, the proportions of full-time dependent students in private four-year colleges receiving grant aid and tax benefits that reduced net tuition and fees to zero were, by family income categories: lowest income, 20 percent; low-middle income, 8 percent; middle-high income, 5 percent; highest income, 3 percent. The proportions with zero net tuition and fees among students at for-profit colleges were 7 percent, 5 percent, 3 percent, and 1 percent, respectively.

In 2003-04, fewer low-income students in either private nonprofit or for-profit institutions than in public colleges received enough grant aid and/or tax benefits to cover tuition and fees.

- In 2003-04, the average net tuition and fees of \$6,400 paid by the lowest income four-year private nonprofit college students were about 39 percent of the \$16,300 paid by those from families with incomes of \$95,000 or higher. Students from families with incomes between \$35,000 and \$63,000 paid about 55 percent of the net price paid by the most affluent students and those from families with incomes between \$63,000 and \$95,000 paid about 68 percent as much as the most affluent.
- In 2003-04, the average net tuition and fees of \$7,000 paid by the lowest income college students enrolled in for-profit institutions were about 63 percent of the \$11,100 paid by those from families with incomes of \$95,000 or higher. Students from families with incomes between \$35,000 and \$63,000 paid about 78 percent of the net price paid by the most affluent students and those from families with incomes between \$63,000 and \$95,000 paid about 88 percent as much as the most affluent.

Enrollment Patterns and Degree Attainment

Figure 10: Full-Time and Part-Time Enrollment by Institution Type, 1996-97 and 2004-05



Twenty-eight percent of all undergraduate students are full-time students enrolled at public four-year institutions. Another quarter of undergraduates are part-time students enrolled at public two-year institutions.

- The only measurable change in the overall postsecondary enrollment pattern between 1996-97 and 2004-05 was an increase from 3 percent to 6 percent in the proportion of all undergraduates who are full-time students enrolled in for-profit institutions.
- The proportion of two-year public college students enrolled part-time increased from 49 percent in 1970 to 63 percent in 1980, but has remained fairly stable since then. (NCES, *Digest of Education Statistics 2004*, Table 178)

Note: Percentages may not sum to 100 percent due to rounding. The category “All Others” includes private two-year and public less than two-year institutions.
Source: IPEDS, unpublished data, 2006; calculations by authors.

The bars in this graphic show the numbers of students enrolled at postsecondary institutions. The dark colored segments show the number of students enrolled full-time at each institution type. The percentages shown in each bar are the percentage of students among all undergraduate postsecondary students enrolled in each sector.

Figure 11a: Number of Postsecondary Institutions Attended by Students Who Earned a Bachelor’s Degree, with Average Time-to-Degree, 1999–2000

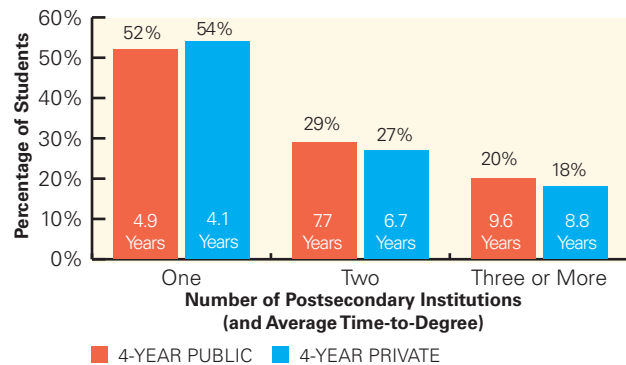
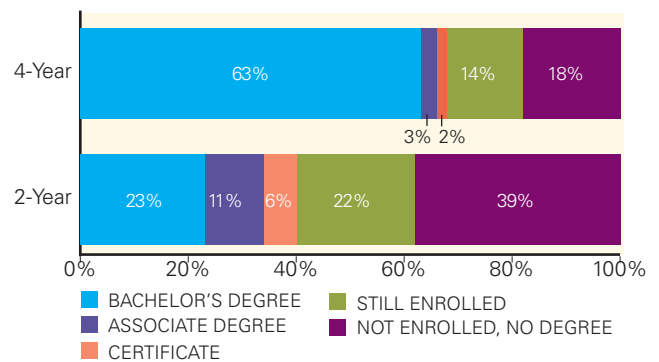


Figure 11b: Degree Completion After Six Years Among Students Who Began Undergraduate Study in Two-Year and Four-Year Institutions in 1995-96 with the Goal of Earning a Bachelor’s Degree



Note: Institution types refer to the college or university in which students first enrolled.

Source: NCES, 2005, *The Road Less Traveled*, NCES-157, Tables 8a, 8b, and 8c (Figure 11a), Tables 3c and 4c (Figure 11b), based on Beginning Postsecondary Students (BPS) Longitudinal Study, 1996 and 2001.

Among first-time bachelor's degree recipients in 1999–2000, those who began their studies in four-year public colleges and universities took an average of 6.2 years to earn their degrees, and those who began in four-year private institutions took an average of 5.3 years to earn their degrees.

- Slightly more than half of the students who began in either public or private institutions and received a bachelor's degree in 1999–2000 attended only one institution in the course of their studies, but just under 30 percent attended two institutions, and almost 20 percent attended three or more institutions.
- Almost two-thirds of undergraduates who began their studies at a four-year college or university in 1995-96 with the goal of earning a bachelor's degree had achieved this goal six years later. About a quarter of those who began at a two-year public college with this goal had achieved it six years later.

Remedial Course Work

Figure 12a: Percentage of First- and Second-Year Students Who Have Taken a Remedial Course Since High School Graduation and Percentage Taking Remedial Courses in 2003-04, by Type of Institution

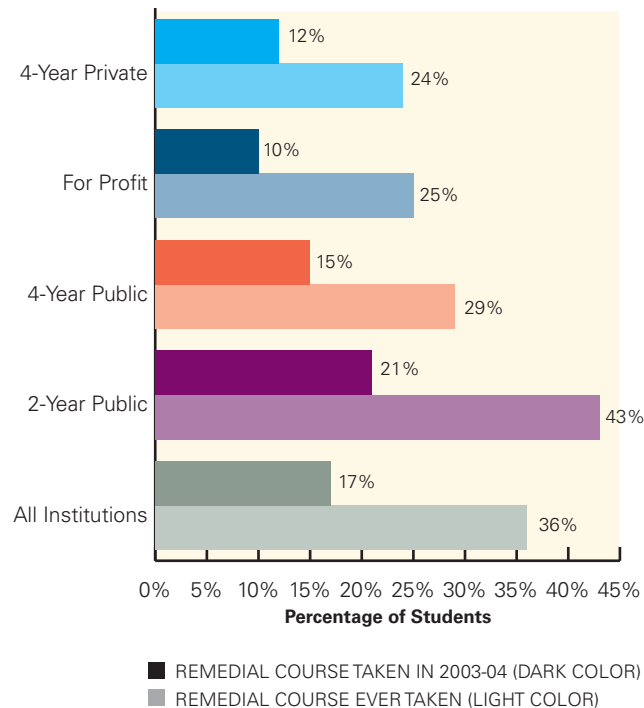
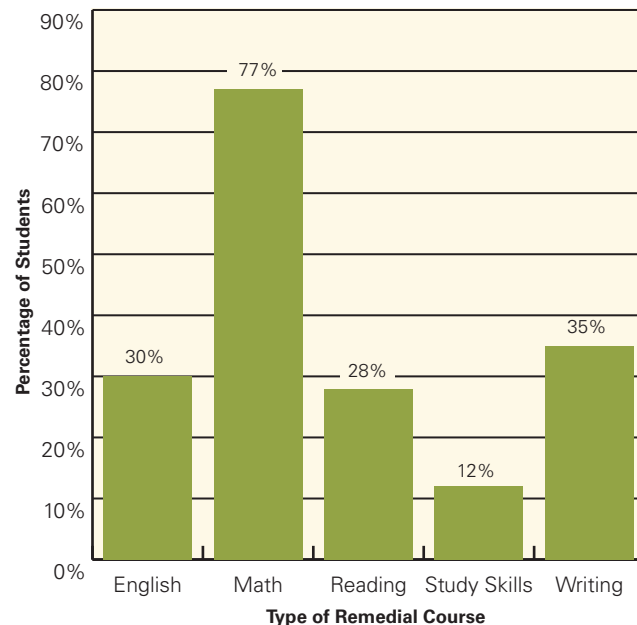


Figure 12b: Percentage of First- and Second-Year Students Taking a Remedial Course by Type of Course, 2003-04



Note: “Remedial course” is defined as a developmental course intended to improve basic skills in English, mathematics, reading, study skills, or writing.
Source: NPSAS: 2004 Undergraduates; calculations by the authors.

Over one-third of first- and second-year college students have taken remedial courses.

- Students do not generally receive college credit for remedial course work, which inevitably increases the time it takes to earn a degree.
- In 2003-04, 21 percent of first- and second-year students in two-year public colleges took remedial courses to prepare for college-level work. Although many states prevent or discourage public four-year institutions from offering these courses, 15 percent of first- and second-year students in public four-year colleges, 12 percent in private four-year colleges, and 10 percent in for-profit institutions took these courses in 2003-04.
- More than three-quarters of the first- and second-year students taking remedial courses are enrolled in remedial mathematics courses. Only 12 percent are enrolled in courses specifically targeting study skills.

Also important:

- Among members of the high school class of 1992 who enrolled in postsecondary education, 58 percent of those who never took remedial courses earned a bachelor’s degree by the year 2000 and another 11 percent earned an associate degree or a certificate. Among those who took remedial reading classes, only 17 percent earned a bachelor’s degree by the year 2000 and another 13 percent earned an associate degree or a certificate. (NCES, *Condition of Education*, Indicator 18, 2004)
- Simple comparison of percentages of students earning degrees may be misleading. When students of similar academic backgrounds are compared, those who take remedial courses are less likely to drop out of college and more likely to complete a bachelor’s degree within five years than those who do not take remedial courses. (Eric Bettinger and Bridget Terry Long, “Addressing the Needs of Under-Prepared Students in Higher Education” April 2005)
- Participation in remedial courses has declined somewhat in recent years, with approximately 51 percent of 1982 high school seniors and 42 percent of 1992 high school seniors who enrolled in postsecondary education taking these courses. The decline occurred among those enrolling in four-year institutions, but not among those enrolling in two-year institutions. (Clifford Adelman, *Principal Indicators of Student Academic Histories in Postsecondary Education, 1972–2000*. U.S. Department of Education, 2004, Table 7.2)

Tuition and Fees by State

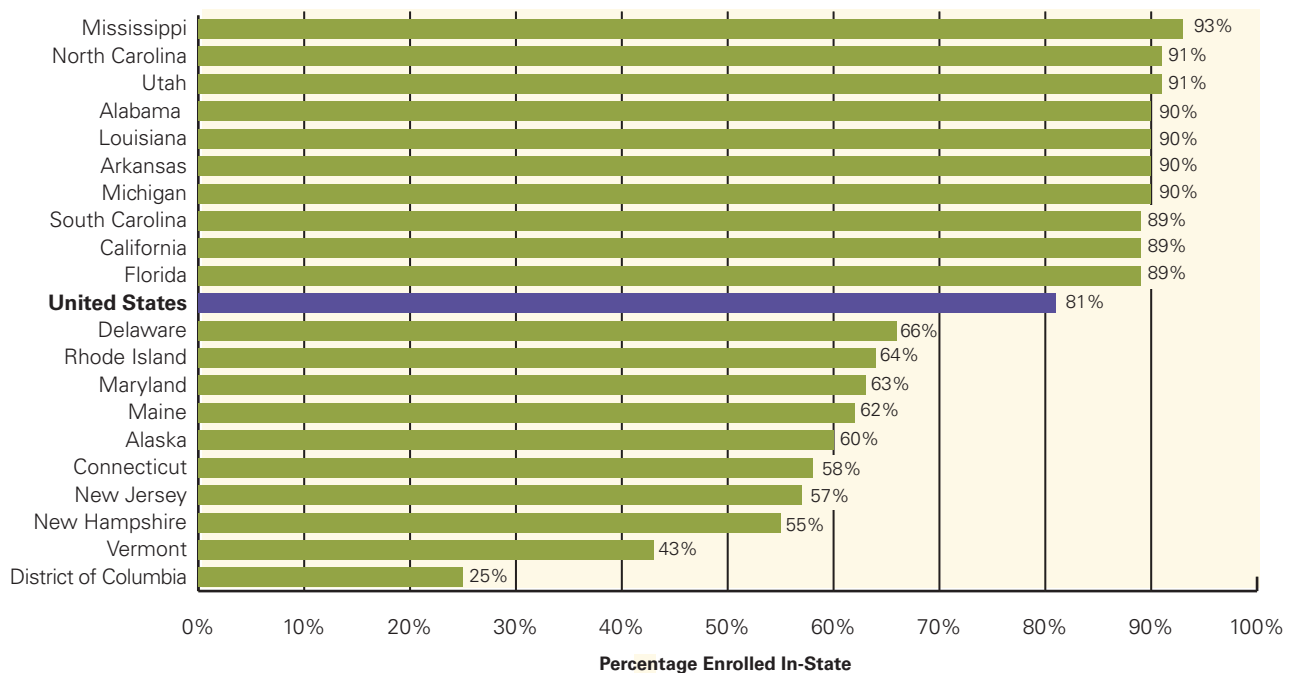
Table 6: Average Published Tuition and Fee Charges by State, 2005-06 and 2006-07 (Enrollment-Weighted)

	Public Two-Year			Public Four-Year			Private Four-Year		
	2006-07	2005-06	% Change	2006-07	2005-06	% Change	2006-07	2005-06	% Change
NATIONAL	\$2,272	\$2,182	4%	\$5,836	\$5,492	6%	\$22,218	\$20,980	6%
Alabama	\$2,738	\$2,742	<-1%	\$4,915	\$4,699	5%	\$13,437	\$12,582	7%
Alaska	\$3,360	\$3,060	10%	\$4,195	\$3,808	10%	\$16,463	\$15,539	6%
Arizona	\$1,647	\$1,534	7%	\$4,676	\$4,428	6%	\$20,854	\$19,519	7%
Arkansas	\$2,112	\$1,982	7%	\$5,298	\$4,992	6%	\$13,659	\$13,137	4%
California	\$725	\$810	-10%	\$4,560	\$4,505	1%	\$28,074	\$26,421	6%
Colorado	\$2,363	\$2,304	3%	\$4,646	\$4,443	5%	\$27,143	\$25,477	7%
Connecticut	\$2,672	\$2,536	5%	\$7,140	\$6,758	6%	\$28,525	\$26,971	6%
Delaware	\$2,310	\$2,166	7%	\$7,410	\$7,014	6%	\$12,089	\$11,261	7%
District of Columbia	*	*	*	\$3,210	\$2,520	27%	\$27,601	\$26,896	3%
Florida	\$2,038	\$1,922	6%	\$3,336	\$3,198	4%	\$21,189	\$19,922	6%
Georgia	\$2,290	\$2,179	5%	\$3,913	\$3,677	6%	\$20,124	\$19,010	6%
Hawaii	\$1,734	\$1,529	13%	\$4,257	\$3,486	22%	\$9,839	\$9,306	6%
Idaho	\$1,972	\$1,877	5%	\$4,159	\$3,921	6%	\$5,405	\$5,120	6%
Illinois	\$2,299	\$2,123	8%	\$8,133	\$7,231	12%	\$22,109	\$20,977	5%
Indiana	\$2,893	\$2,726	6%	\$6,555	\$6,155	6%	\$22,940	\$21,665	6%
Iowa	\$3,189	\$3,054	4%	\$5,900	\$5,619	5%	\$20,834	\$19,734	6%
Kansas	\$1,875	\$1,843	2%	\$5,149	\$4,639	11%	\$16,156	\$15,305	6%
Kentucky	\$3,270	\$2,940	11%	\$5,758	\$5,139	12%	\$16,996	\$15,734	8%
Louisiana	\$1,842	\$1,830	1%	\$3,796	\$3,654	4%	\$21,748	\$21,109	3%
Maine	\$3,060	\$2,814	9%	\$6,583	\$6,082	8%	\$25,914	\$24,714	5%
Maryland	\$3,120	\$3,046	2%	\$7,241	\$7,134	1%	\$26,480	\$25,047	6%
Massachusetts	\$3,586	\$3,543	1%	\$7,585	\$7,262	4%	\$29,335	\$27,795	6%
Michigan	\$2,251	\$2,121	6%	\$7,661	\$7,131	7%	\$16,067	\$15,220	6%
Minnesota	\$4,300	\$4,026	7%	\$7,495	\$6,965	8%	\$23,816	\$22,219	7%
Mississippi	\$1,685	\$1,665	1%	\$4,455	\$4,184	6%	\$12,320	\$11,828	4%
Missouri	\$2,338	\$2,286	2%	\$6,531	\$6,197	5%	\$19,155	\$18,131	6%
Montana	\$2,633	\$2,501	5%	\$5,255	\$4,884	8%	\$17,090	\$15,915	7%
Nebraska	\$2,023	\$1,891	7%	\$5,224	\$4,927	6%	\$17,148	\$15,839	8%
Nevada	\$1,695	\$1,643	3%	\$3,651	\$3,341	9%	\$20,873	\$19,650	6%
New Hampshire	\$5,207	\$5,195	<1%	\$9,114	\$8,569	6%	\$26,881	\$25,520	5%
New Jersey	\$3,187	\$2,954	8%	\$9,298	\$8,563	9%	\$25,155	\$23,857	5%
New Mexico	\$1,195	\$1,126	6%	\$3,985	\$3,729	7%	\$23,671	\$21,836	8%
New York	\$3,460	\$3,376	2%	\$5,046	\$5,004	1%	\$24,964	\$23,606	6%
North Carolina	\$1,257	\$1,245	1%	\$4,063	\$3,683	10%	\$20,882	\$19,638	6%
North Dakota	\$3,276	\$3,072	7%	\$5,509	\$5,071	9%	\$11,166	\$10,599	5%
Ohio	\$3,420	\$3,235	6%	\$9,357	\$8,795	6%	\$22,412	\$21,126	6%
Oklahoma	\$2,335	\$2,238	4%	\$4,246	\$3,814	11%	\$16,293	\$15,096	8%
Oregon	\$3,167	\$2,980	6%	\$5,576	\$5,293	5%	\$24,948	\$23,611	6%
Pennsylvania	\$4,299	\$4,137	4%	\$9,041	\$8,632	5%	\$25,591	\$23,991	7%
Puerto Rico	*	*	*	\$1,396	\$1,396	0%	\$4,803	\$4,648	3%
Rhode Island	\$2,686	\$2,470	9%	\$6,756	\$6,371	6%	\$26,400	\$25,091	5%
South Carolina	\$3,082	\$2,934	5%	\$7,916	\$7,380	7%	\$17,529	\$16,413	7%
South Dakota	\$3,434	\$3,209	7%	\$4,940	\$4,628	7%	\$17,345	\$16,427	6%
Tennessee	\$2,499	\$2,390	5%	\$4,974	\$4,765	4%	\$18,497	\$17,522	6%
Texas	\$1,604	\$1,507	6%	\$5,940	\$5,479	8%	\$19,225	\$17,897	7%
Utah	\$2,358	\$2,158	9%	\$3,891	\$3,589	8%	\$4,596	\$4,325	6%
Vermont	\$5,230	\$4,990	5%	\$9,800	\$9,298	5%	\$25,593	\$24,393	5%
Virginia	\$2,367	\$2,188	8%	\$6,558	\$6,024	9%	\$20,536	\$19,377	6%
Washington	\$2,743	\$2,598	6%	\$5,617	\$5,252	7%	\$23,571	\$22,026	7%
West Virginia	\$2,024	\$1,940	4%	\$4,152	\$3,881	7%	\$15,472	\$14,757	5%
Wisconsin	\$3,224	\$2,974	8%	\$6,044	\$5,638	7%	\$21,330	\$20,161	6%
Wyoming	\$1,826	\$1,766	3%	\$3,515	\$3,429	3%	*	*	*

*Data are insufficient to report.

In-State and Out-of-State Enrollment

Figure 13: Percentage of State Resident College Students Enrolled at In-State Institutions, States with Highest and Lowest Percentages Remaining In-State, Fall 2004



Source: NCES, 2005, *Digest of Education Statistics*, Table 203.

There is wide variation across states in both tuition and fee levels and student migration patterns.

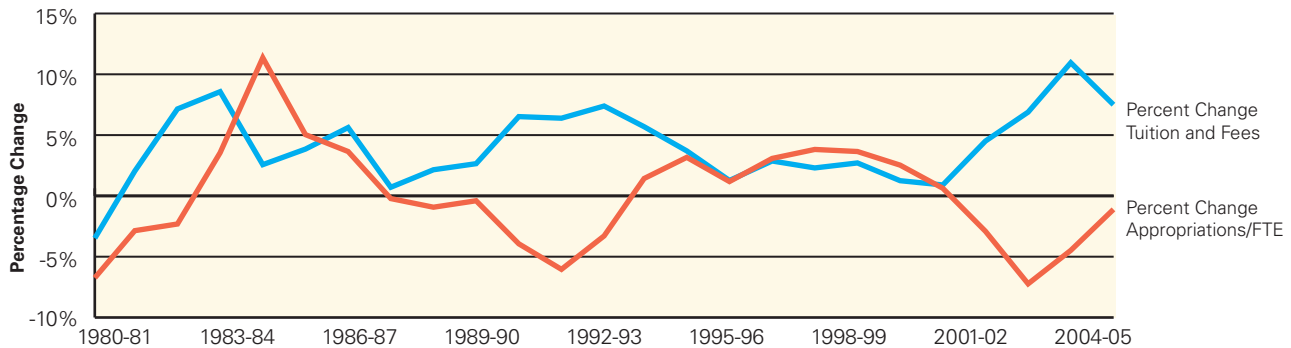
- California, New Mexico, and North Carolina are the states with the lowest average tuition and fees at public two-year colleges. Florida, Nevada, and Wyoming are the states with the lowest average tuition and fees at public four-year colleges.
- Among low-tuition states, 89 percent of California and Florida college students remain in-state to study, as do 91 percent of North Carolina students. However, only 69 percent of Wyoming students remain in-state, as do 82 percent in Nevada and 84 percent in New Mexico (not shown in Figure 13).
- Vermont and New Hampshire are the states with the highest average tuition and fees at public two-year colleges. New Jersey, Ohio, and Vermont are the states with the highest average tuition and fees at public four-year colleges.
- Among high-tuition states, only 43 percent of Vermont college students, 55 percent of those from New Hampshire, and 57 percent of those from New Jersey remain in-state to study. However, 84 percent of Ohio students study in-state (not shown in Figure 13).

Also important:

- The actual prices paid by students at in-state public colleges and universities are not necessarily correlated with the published prices because state grant programs vary significantly.
- New Jersey, one of the states with the highest public college tuition, awarded \$957 of grant aid per student in 2004-05, compared to the national average of \$562. In contrast, New Hampshire awarded only \$76 per student. Among low-tuition states, New Mexico, Florida, and Nevada awarded higher than average state grants, but Wyoming awarded only \$7 per student. (NASSGAP, 2006, *36th Annual Survey*)
- South Carolina (\$1,600), Georgia (\$1,500), and New York (\$1,400) awarded the most grant aid per student in 2004-05. (Georgia awarded almost no need-based grant aid.) New York awarded the highest level of need-based grant aid, \$1,300 per student. Alaska and South Dakota awarded no state grants and five other states awarded less than \$50 per student.
- State student grant expenditures as a percentage of state appropriations for higher education institutions range from 34 percent in South Carolina, 24 percent in Georgia, 23 percent in New York, and 21 percent in Vermont to 10 percent in Michigan and Minnesota, 5 percent in Connecticut and Maine, and less than one-half of 1 percent in Alabama, Alaska, Arizona, Hawaii, South Dakota, and Wyoming.

Institutional Revenues

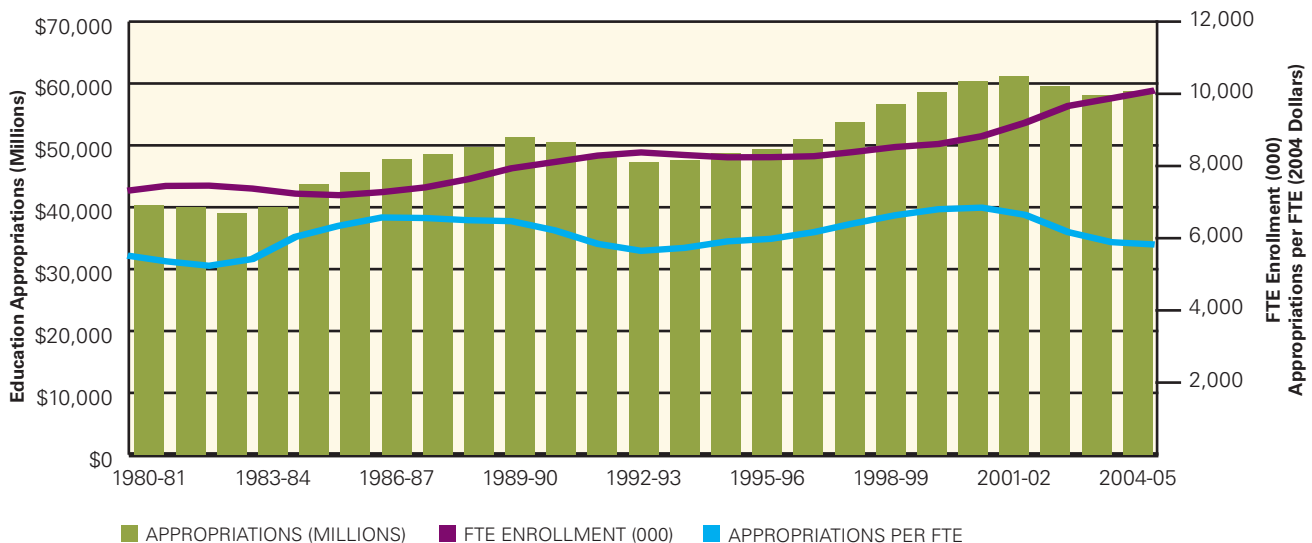
Figure 14a: Annual Percentage Changes in Instructional Appropriations and in Tuition and Fees at Public Four-Year Institutions, 1980-81 to 2004-05 (Constant 2004 Dollars)



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

Sources: Table 3a and data online (collegeboard.com/trends); State Higher Education Executive Officers, 2005.

Figure 14b: State and Local Appropriations for Higher Education Institutions in Constant (2004) Dollars: Total Appropriations, Appropriations per Full-Time Equivalent (FTE) Student, and Enrollments, 1980-81 to 2004-05

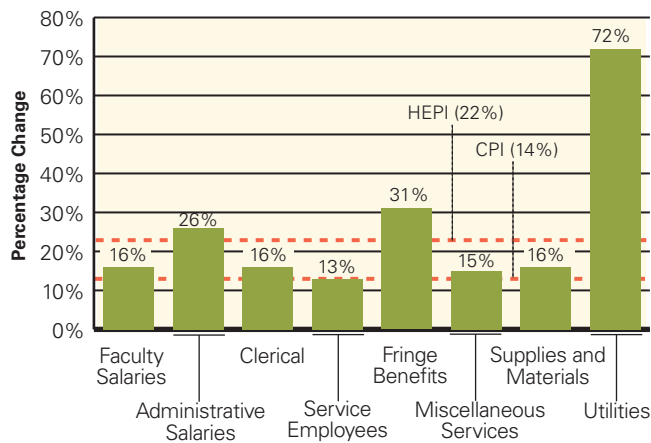


The largest average increases in tuition and fees at public four-year colleges and universities occur during periods of decline or slow growth in the level of instructional appropriations per student.

- Total state and local appropriations for higher education instruction increased about 20 percent between 1994-95 and 2004-05, from \$48.7 billion to \$58.8 billion in 2004 dollars. Funding across the nation has increased by 44 percent in inflation-adjusted dollars since 1980-81.
- Because enrollment in public four-year colleges and universities increased by 22 percent over the past decade (and by 38 percent between 1980-81 and 2004-05), inflation-adjusted appropriations per student were lower in 2004-05 than they had been since 1993-94. Over the 24-year period, appropriations per student grew by 9 percent after adjusting for inflation.

Institutional Expenditures

Figure 15: Percentage Changes in the Prices of Goods and Services Purchased by College and Universities Compared to the CPI and HEPI, 2000-01 to 2005-06

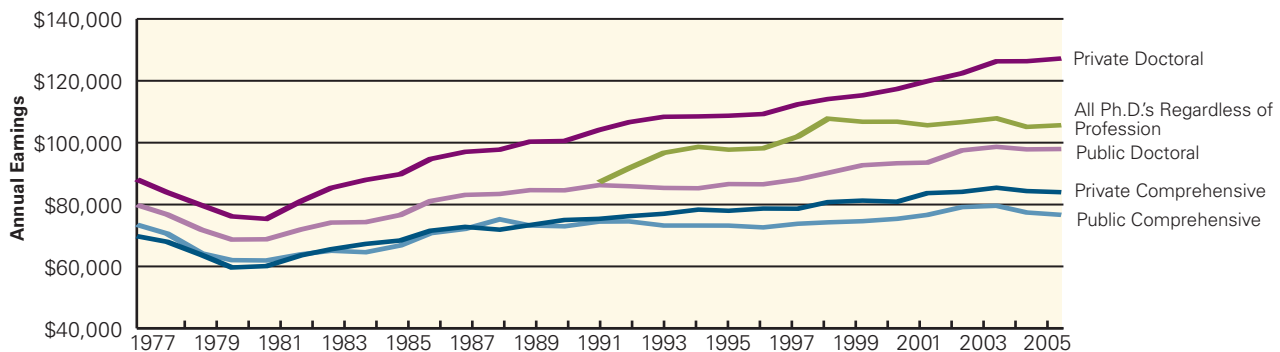


The prices paid by colleges and universities for the goods and services they purchase, as measured by the Higher Education Price Index, have increased more rapidly in recent years than the Consumer Price Index.

- The price increases reported in Figure 15 are based on the Higher Education Price Index, an inflation index designed specifically for higher education and based on the goods and services purchased by colleges and universities.
- The HEPI increased 22 percent between 2000-01 and 2005-06, while the Consumer Price Index rose 14 percent.

Note: Based on Higher Education Price Index (HEPI), which tracks prices paid by colleges and universities.
Source: Common Fund Institute, 2006 HEPI Update, Table 3.1.

Figure 16: Average Salaries of Full Professors at Public and Private Doctoral and Comprehensive Universities and Earnings of All Ph.D.'s, in Constant (2005) Dollars, 1977–2005



Note: Data for all Ph.D.'s reflect three-year moving averages of annual earnings.
Source: Common Fund Institute, 2006 HEPI Update; U.S. Census Bureau, 2006, PINC-03.

Salary differences between public and private college and university faculty have increased over time, as have differences among faculty teaching in different types of institutions within each sector.

- Through the 1980s salaries of full professors in public comprehensive universities were comparable to those in private comprehensive universities. Between 1989 and 2005, public faculty salaries fell from 100 to 89 percent of private faculty salaries in these institutions.
- Salaries of full professors in public doctoral universities fell steadily from 91 percent of those in private doctoral universities in 1977, to 84 percent in 1990, and to 77 percent in 2005.

Also important:

- Full professors are the highest paid faculty members. In 2005-06, the \$101,600 average salary for full professors in public doctoral universities compared to \$71,000 for associate professors and \$60,400 for assistant professors. The average salary for all full-time faculty was \$76,400. (*Chronicle of Higher Education Almanac*, 2006)
- The \$97,434 average salary for all full-time faculty in private doctoral universities in 2005-06 was more than \$4,000 below the average earnings of all Ph.D. recipients over the age of 25 working full-time. (*Chronicle of Higher Education Almanac*, 2006; U.S. Census Bureau, 2006, PINC-03)

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 2006-07 *Annual Survey of Colleges*. Data were collected on questionnaires distributed in October 2005, and subjected to intensive review and follow-up where necessary through the following spring and summer months. Institutions could submit or revise their figures until the third week of August 2006. 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. For those institutions with tuition policies that guarantee that tuition will remain constant throughout four years of study, average undergraduate tuition levels were collected and used in the analysis. If firm 2006-07 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

This report provides enrollment-weighted averages, or average prices that full-time undergraduate students face. When weights are used in the calculations, charges and estimated expenditures reported by colleges with larger full-time enrollments are weighted more heavily than those of institutions with smaller enrollments. When calculations are performed without weighting, the fixed charges and estimated expenditures of all reporting institutions are treated equally.

As a snapshot, neither set of averages is more or less correct than the other; they describe different phenomena. The weighted averages may be more helpful to students and families in anticipating future education expenses.

Some researchers, policy analysts, and academic administrators find the unweighted averages useful in studying longitudinal trends and evaluating a particular institution's practices against a larger set. Thus the College Board computes both weighted and unweighted averages. Tables on unweighted tuition data can be found online at collegeboard.com/trends.

The most recent enrollment data available are for 2005-06. Therefore, while for 2005-06 and earlier years, prices are weighted by same year enrollments, for 2006-07, prices are weighted by 2005-06 enrollments. In other words, the price changes reported in Table 1 reflect only price changes, not changes in enrollment patterns. In contrast, the historical data on changes in enrollment-weighted prices reported in Tables 3 and 4 reflect both changes in prices charged and in the distribution of full-time students across institutions.

Weighted averages for each price are based on relevant populations:

- Tuition and fees are weighted by full-time undergraduate enrollment.
- Resident room and board are weighted by the number of undergraduates living in college housing at each institution.
- Estimated other student budget components are weighted as follows:
 - 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)

Out-of-state charges for public colleges are weighted by the number of full-time out-of-state students enrolled. Data on out-of-state students receiving a waiver of some or all of the tuition premium are not available. 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 2,863 public and private nonprofit institutions, 2,677 (94 percent) were included in this year's analysis. Beginning in 2004-05, 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 is 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, three schools reported projected, rather than firm, data and the College Board imputed data for 1 school.

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-Year Public	1,016	995	4
4-Year Public	605	559	4
4-Year Private	1,242	1,123	33
Total	2,863	2,677	41

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 classify them as marginal.

Revision of Base-Year Figures

The base-year values for 2005-06 used in this analysis differ somewhat from the 2005-06 averages that we reported last year. Several factors contribute to the revision of the previous year's numbers. If tuition and fee or room and board 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. If an institution did not report in 2005-06 but provided 2005-06 data in 2006-07, we replaced our estimate with the reported figure. 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. The base-year numbers also change as a result of revisions submitted by institutions. Several hundred institutions submitted changes to their earlier figures for 2005-06. Most of these revisions are minor. Some result from simple human error, while 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.

The largest contribution to the revision of last year's price estimates comes from the re-weighting of the prices, shifting from 2004-05 to 2005-06 full-time enrollment figures.

The recomputed average for tuition and fees at public four-year institutions in 2005-06 is \$1 higher than the level we reported last year and the recomputed average for tuition and fees at public two-year colleges is \$9 lower. However, for private four-year institutions, the \$20,980 figure reported here is \$255 (1.2 percent) lower than the amount we reported in 2005.

Both the average prices for 2006-07 and calculated rates of change published in this report are subject to recomputation one year hence.

Longitudinal Data

In Tables 3 and 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, but IPEDS averages are weighted by full-time equivalent enrollments, while the *Annual Survey* prices are weighted by full-time enrollments. Annual data for years preceding 1995-96 are available online on the College Board's Web site www.collegeboard.com/trends.

Net Price Calculations

The calculations of net price for full-time undergraduate students are a best approximation. The estimates in Figures 8a-8f are based on the aggregate amounts of each type of aid reported in *Trends in Student Aid* and on the allocation of each type of aid across institution types and between part-time and full-time students reported in 1992-93, 1995-96, 1999-2000, and 2003-04 National Postsecondary Student Aid Study (NPSAS) data. The figures reported here divide the grant aid and tax benefits across all full-time undergraduates by sector.

The allocation of tax benefits is based on Berkner and Wei, *Student Financing of Undergraduate Education*, 2003-04, NCES, 2006 and unpublished data from NPSAS.

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 derived from public four-year room and board charges for earlier years in the decade. The net price estimates reported here are not exactly comparable to those that appeared in 2005. We have revised the full-time enrollment numbers based on new unpublished calculations by NCES; estimates of some types of grant aid and tax benefits have also been updated. (See *Trends in Student Aid 2006* for details.)

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 2006-07 is based on the CPI as of August 2006.

Formula for Constant Dollar Conversion:

$$\begin{array}{l} \text{CONSTANT} \\ \text{(Base-Year)} \\ \text{Dollars} \end{array} = \begin{array}{l} \text{CURRENT} \\ \text{Year} \\ \text{Dollars} \end{array} \times \frac{\text{CPI for the} \\ \text{Base Year}}{\text{CPI for the} \\ \text{Current Year}}$$

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.

Table B. Consumer Price Index (1982-84=100)

Academic Year		
Academic Year	CPI	Factor
1996-97	157.3	1.2962
1997-98	160.8	1.2680
1998-99	163.4	1.2479
1999-00	167.1	1.2202
2000-01	172.8	1.1800
2001-02	177.5	1.1487
2002-03	180.7	1.1284
2003-04	184.6	1.1046
2004-05	189.5	1.0760
2005-06	196.4	1.0382
2006-07	203.9	1.0000

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 2006*, 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.

An electronic copy of this report, along with the other reports of the Trends in Higher Education Series and additional data tables, can be downloaded at www.collegeboard.com/trends.

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.

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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