

Highlights

From 2001-02 through 2012-13, annual increases in published tuition and fees exceeding 5% (or exceeding the overall rate of inflation by more than 2 or 3 percentage points) were common. Beginning in 2013-14, however, the rate of increase in published prices slowed considerably at public two-year and four-year and private nonprofit four-year institutions.

At public four-year institutions, the smaller price increases combined with increases in institutional and state grant aid slowed the growth of the average net price students pay in recent years. In the private nonprofit four-year sector, where institutional grants are the dominant source of aid and price increases have been more consistent over the more recent decade, the average net price fell over the first half of the decade, but rose by about \$800 between 2014-15 and 2019-20.

PUBLISHED TUITION AND FEES AND ROOM AND BOARD

Average published in-state tuition and fees in the public four-year sector increased by \$230 (2.3% before adjusting for inflation), from \$10,210 in 2018-19 to \$10,440 in 2019-20. Average total tuition and fee and room and board charges in 2019-20 are \$21,950. (Table 1)

- Average published out-of-state tuition and fees at public four-year institutions rose by \$620 (2.4%), from \$26,200 in 2018-19 to \$26,820 in 2019-20. Average total charges in 2019-20 are \$38,330. (Table 1)
- Average published tuition and fees at private nonprofit four-year institutions rose by \$1,200 (3.4%), from \$35,680 in 2018-19 to \$36,880 in 2019-20. Average total charges in 2019-20 are \$49,870. (Table 1)
- Average published in-district tuition and fees at public two-year colleges increased by \$100 (2.8%), from \$3,630 in 2018-19 to \$3,730 in 2019-20. (Table 1)
- Average tuition and fees for full-time students in the for-profit sector were \$14,600 in 2018-19. (Table 1)

GROWTH IN COLLEGE PRICES

Between 2009-10 and 2019-20, published in-state tuition and fees at public four-year institutions increased at an average rate of 2.2% per year beyond inflation, compared with 3.9% between 1989-90 and 1999-00 and 5.0% between 1999-00 and 2009-10. (Figure 4A)

- The 2.2% average annual rate of increase in inflation-adjusted tuition and fees in the public four-year sector corresponds to an average annual increase of \$200 in 2019 dollars, compared with \$170 per year from 1989-90 to 1999-00 and \$330 per year from 1999-00 to 2009-10. (Figure 4A)
- In the public two-year and private nonprofit four-year sectors, published prices are more than twice as high in inflation-adjusted dollars in 2019-20 as they were in 1989-90. The average in-state public four-year tuition and fee price is about three times as high as it was in 1989-90. (Figure 4B)

VARIATION IN TUITION AND FEES

The median published tuition and fee price for full-time students attending public or private nonprofit four-year institutions in 2019-20 is \$12,710; 25% of these students attend institutions with prices below \$9,000 and 26% attend institutions charging \$30,000 or more. (Figure 2)

- The average published tuition and fee price at public doctoral universities is 27% higher than that at public master's universities (\$11,380 vs. \$8,990). In the private nonprofit sector, this difference is 46% (\$45,380 vs. \$31,140). (Table 1)
- In 2019-20, average published tuition and fees for in-district students at public two-year colleges range from \$1,430 in California and \$1,860 in New Mexico to \$7,100 in New Hampshire and \$8,210 in Vermont. (Figure 5)
- In 2019-20, average published tuition and fees for in-state students at public four-year institutions range from \$5,580 in Wyoming and \$6,350 in Florida to \$16,920 in New Hampshire and \$17,470 in Vermont. (Figure 6)
- The out-of-state price is four and a half times as high as the in-state price at the flagship university in Florida and four times as high in North Carolina; it is less than 50% higher in North Dakota and South Dakota. (Figure 7)
- In five states, average published in-state tuition and fees at public four-year institutions fell between 2014-15 and 2019-20, after adjusting for inflation. In nine states, the price increased by 15% or more. (Figure 6)

WHAT STUDENTS ACTUALLY PAY

On average, full-time students at public two-year colleges receive more than enough aid in 2019-20 to cover tuition and fees, but the estimated \$400 they have available to put toward other expenses is a decline from almost \$1,000 in 2010-11. Out-of-pocket living expenses average \$8,600. (Figure 8)

- Average published tuition and fees at public four-year institutions rose by \$590 from \$9,850 (in 2019 dollars) in 2014-15 to \$10,440 in 2019-20. Over these five years, average net tuition and fees rose about \$400. (Figure 9)
- In 2015-16, average net tuition and fees at public four-year colleges for full-time dependent students from the lowest-income families were \$2,340—compared with \$11,150 for those from the highest-income families; average other expenses after grant aid were \$12,210 and \$14,640, respectively. (Figure 11)
- The average net tuition and fees for full-time students at private nonprofit four-year institutions rose from \$13,400 (in 2019 dollars) in 2011-12 to \$14,400 in 2019-20; the net price remains below its level from 2001-02 through 2008-09. (Figure 10)
- Between 2003-04 and 2015-16, the average net price for dependent students from low-income families at for-profit institutions rose 36%, from \$8,830 (in 2015 dollars) to \$12,020; the average net price for low-income students in the private nonprofit sector fell by 2% to \$7,580. (Figure 12)

PUBLIC FUNDING

State and local funding per student rose in 2017-18 (in inflation-adjusted dollars) for the sixth consecutive year, following four years of decline. Funding per student fell by 23% from \$8,610 (in 2017 dollars) in 2007-08 to \$6,590 in 2012-13, and then rose by 19% to \$7,850 in 2017-18. (Figure 15B)

- Between 2007-08 and 2012-13, the combination of a 15% decline in total funding and an 11% increase in enrollment led to a 23% decline in state and local funding per public sector student. By contrast, between 2012-13 and 2017-18, a 15% increase in total funding and a 3% decline in enrollment led to a 19% increase in funding per student. (Figure 15B)
- In 2017-18, state and local funding per student was 9% lower (after adjusting for inflation) than a decade earlier (\$7,850 vs. \$8,610) and 10% lower than in 1987-88 (down from \$8,700). (Figure 15B)
- In 2017-18, state and local funding for public higher education ranged from \$3,070 per full-time equivalent (FTE) student in New Hampshire and \$3,190 in Vermont to \$16,940 in Hawaii and \$17,700 in Alaska. (Figure 16)

INSTITUTIONAL FINANCES

Between 2006-07 and 2016-17, educational expenditures per FTE student increased by 17% in inflation-adjusted dollars at public doctoral universities, 18% at master's universities, 9% at bachelor's colleges, and 12% at two-year colleges in the public sector. (Figure 18)

- Between 2006-07 and 2016-17, average educational expenditures per FTE student rose by 16% in inflation-adjusted dollars at private nonprofit doctoral universities, 13% at master's institutions, and 9% at bachelor's institutions in the sector. (Figure 18)
- In 2016-17, 46% of educational costs at private nonprofit doctoral universities and 40% at bachelor's colleges was subsidy to students not covered by net tuition revenue. The subsidy share was 15% at private nonprofit master's institutions. (Figure 18)
- The subsidy portion of educational expenditures declined from 61% to 40% at public doctoral universities, from 62% to 46% at master's institutions, from 66% to 56% at bachelor's colleges, and from 74% to 65% at two-year colleges in the sector between 2001-02 and 2016-17. (Figure 18)
- In 2016-17, per-student revenues from government sources and net tuition were \$27,670 at doctoral, \$15,830 at master's, \$14,180 at bachelor's, and \$11,700 at associate institutions in the public sector. (Figure 17)
- In 2016-17, the 10% of students enrolled in the private doctoral universities with the highest endowments per student benefited from endowments averaging \$1.22 million per FTE student. The median endowment per FTE student in this sector was \$63,500. (Figure 19)

ENROLLMENT PATTERNS

Total postsecondary enrollment fell by 196,000 (1%) between fall 2015 and fall 2017. There were 118,000 (2%) more students at public four-year and 60,000 (2%) more at private nonprofit four-year institutions, but 127,000 (2%) fewer at public two-year colleges and 247,000 (18%) fewer in the for-profit sector. (Figure 21)

- Graduate students rose from 10% of all students in the for-profit sector in fall 2000 to 15% in 2010 and 23% in 2017. Despite the sharp decline in enrollment in the sector between 2010 and 2017, there were more than twice as many students enrolled in 2017 (1.1 million) as in 2000 (450,000). (Figure 21)
- Ten percent of black undergraduates attend for-profit institutions—more than twice the share of any other group enrolled in that sector. (Figure 23A)
- Total FTE enrollment in public institutions in the United States increased by 8% between 2007 and 2017—from 9.6 million to 10.4 million. Changes across states ranged from declines of 13% in Illinois and 10% in Alaska to increases of 24% in Utah and 26% in Texas. (Figure 22A)
- Overall, two-year colleges accounted for 42% of the public FTE undergraduate enrollment in 2017. In seven states, this share was 50% or more; in eight states, it was less than 25%. (Figure 22B)
- In 2015-16, 28% of full-time undergraduates lived on campus; a similar share lived with their parents and 44% lived off campus but not with parents. (Figure 14)

COLLEGE AFFORDABILITY

Average published tuition and fees for in-state students attending public four-year colleges rose by \$6,850 (in 2018 dollars) between 1988 and 2018—53% of the increase in income (\$13,000) of the middle 20% of families and 8% of the increase in income (\$87,930) of the 20% of families with the highest incomes. (Page 29)

- In 2018, the average income of the highest 20% of families was 3.3 times that of the middle 20% (\$261,760 vs. \$78,970 in 2018 dollars). It was 2.6 times as high in 1988. (Figure 20A)
- In 2018, the \$121,060 median income of families headed by a four-year college graduate was more than twice the median for families headed by a high school graduate. (Figure 20B)
- Tuition and fees constitute 39% of the total budget for in-state students living on campus at public four-year institutions and 20% of the budget for public two-year college students who pay for off-campus housing. (Figure 1)
- Taking longer to earn a degree increases the price of college. Of 2015-16 bachelor's degree recipients, 41% completed their degrees within four years of first enrolling in college; 59% finished within five years. (Figure 13)