

# The Independent Sector

- ▶ Independent Colleges and Universities of Texas, Inc. (ICUT)
- ▶ Established in 1965
- ▶ Public policy advocate of the 38 SACS accredited independent institutions in Texas
- ▶ [www.icut.org](http://www.icut.org)



# The Independent Sector

- ▶ 38 ICUT Institutions
  - Enrollment: 124,436 students (Fall 2014)
  - Represents 20.5% of enrollment at all 4-year colleges and universities\*
- ▶ Diversity
  - Selectivity
  - Minority Serving Institutions
  - Location

\*Source: THECB Data

# 8 Common Misconceptions of Not-for-Profit, Private Colleges and Universities

# Misconception #1: Private institutions are not affordable

- ▶ Fact: Average net tuition and fees at private 4-year colleges in 2013–14 was \$12,460, less than half of the published rates of \$30,090.
- ▶ Fact: Full-time students at 4-year privates received an average of \$17,630 in financial aid.
- ▶ Fact: 78% of students who received a bachelors degree from a 4-year private were able to complete the degree in four years

# Misconception # 2: The cost of private higher education is rising faster than the rate of inflation

- ▶ Fact: Over the past four years, private colleges have slowed annual tuition increases to the lowest rates seen in the past four decades.

# Misconception # 3: Private education means more significantly more debt

- ▶ Fact: Average debt per borrower among all bachelor degree recipients 2011–12 was \$29,900 compared to \$25,000 at public institutions.

# Misconception # 4: Private colleges lack diversity

## ► Facts

Category	Private	Public
African American*	12.01%	11.27%
Hispanic*	20.89%	29.75%
White*	50.72%	42.28%
Other/Not Reported*	16.38%	16.70%
Less than \$25K	14%	18%
\$25K – \$49K	17%	18%
\$50K – \$74K	16%	17%
\$75K – \$99K	16%	15%

\*Source: IPEDS

# Misconception # 5:

## Fewer students choose to attend private colleges

- ▶ Fact: In 2011 and 2012 enrollment at private colleges increased while total post secondary enrollment in the US declined. During the past decade, enrollment at private colleges has grown 25% and continues to grow.
- ▶ Fact: Since 1980, private colleges have grown by 13% (179 new institutions).



# Misconception # 6:

## All private colleges have billion-dollar endowments

- ▶ Fact: Median endowment for all independent institutions in FY 2011–12 was \$22.3 M, down from \$24M the previous year.
- ▶ Fact: Only 3% of independent colleges have endowments of \$1B or more.
- ▶ Fact: In FY 13, 65% of independent colleges increased endowment spending, with most of that increase supporting student services and financial aid

## Misconception # 7:

### Private colleges are not accountable nor transparent

- ▶ Fact: Thru federal and state regulatory reporting requirements, re-accreditation processes, private colleges are held accountable to students, policy makers, and taxpayers.

# Misconception # 8:

## All college experiences are pretty much the same

- ▶ Fact: Smaller, independent college personalize the college experience. Students are encouraged to study abroad, do internships, pursue independent study projects, conduct research, major in two fields, and in some colleges even design individualized majors.

# Facts

- ▶ National Average Published Price (2012–2013)
  - Private Institutions: \$39,518
  - Public Institutions: \$17,860
  
- ▶ Texas Average Published Price (2012–2013)
  - Private Institutions: \$34,359
  - Public Institutions: \$21,162

[NOTE: Prices include tuition & fees and room & board]

Source: The College Board: Trends in College Pricing 2012 and THECB College for All Texans website ([www.collegeforalltexans.com](http://www.collegeforalltexans.com))

# Facts

## ▶ Published Price vs. Net Price

- Average national published price = \$39,518
- Average national net price = \$23,840

## ▶ Financial Aid

Over 80% of all undergraduates received some form of financial aid in 2010–2011.

Sources: National Association of Independent Colleges and Universities (NAICU) website – [www.naicu.edu](http://www.naicu.edu); Texas Higher Education Coordinating Board and IPEDS 2011



# Fact: ICUT institutions range in size and types of degrees offered

Highest Degree Offered	Number of ICUT Institutions
Associate	1
Baccalaureate	6
Master's	16
Doctorate degrees	14

Undergraduate Students	Number of ICUT Institutions
Less than 500	7
500 - 1,000	11
1,001 - 2,000	10
2,001 - 3,000	5
3001 - 8,640	5

# Facts

## Graduation Rates

All types of students, regardless of family income, race, or ethnicity, are as likely to earn their degree in less time at a private institution.



Source: National Association of Independent Colleges and Universities (NAICU) website – [www.naicu.edu](http://www.naicu.edu)

# Facts

## Graduation Rates



### ▶ Public 4 Year:

- 30.0% graduated within 4 years (2007 – 2011)
- 51.8% graduated within 5 years (2007 – 2012)
- 59.7% graduated within 6 years (2007 – 2013)

### ▶ Private 4 Year:

- 43.3% graduated within 4 years (2007 – 2011)
- 60.2% graduated within 5 years (2007 – 2012)
- 64.5% graduated within 6 years (2007 – 2013)

Source: Texas Higher Education Coordinating Board



# Conclusion

“No student should rule out private higher education because of published price.

Because of our commitment to student aid, four-year private colleges and universities enroll virtually the same percentage of students from low- and middle-income families, as four-year public institutions.

With our higher graduation rates, and median student debt similar to four-year public colleges, private, nonprofit colleges are still a great value for students from all backgrounds.”

Source: NAICU Statement on 2009 College Board Tuition and Student Aid Reports

