**Chapter:** 4/Postsecondary Education **Section:** Finance and Resources

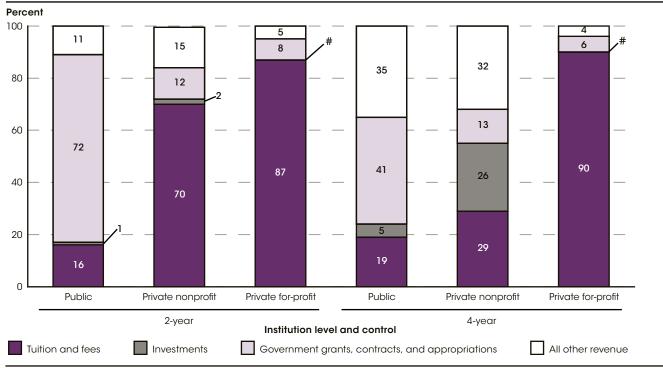
## **Postsecondary Revenues by Source**

From 2005-06 to 2010-11, revenues per full-time-equivalent (FTE) student from tuition and fees increased by 16 percent (from \$5,087 to \$5,884, in constant 2011-12 dollars) at public institutions, by 8 percent (from \$17,400 to \$18,812) at private nonprofit institutions, and were 12 percent higher (\$13,990 vs. \$15,716) at private for-profit institutions.

In 2010–11, total revenues, in current dollars, at postsecondary degree-granting institutions were \$324 billion at public institutions, \$207 billion at private nonprofit institutions, and \$28 billion at private for-profit institutions. At private nonprofit institutions and private for-profit institutions, student tuition and fees constituted the largest percentage of total revenues (29 and 89 percent, respectively). At public institutions, the

largest revenue sources were student tuition and fees (19 percent) and state appropriations (19 percent). It is important to note that revenue data are not comparable across institutional control categories because Pell grants are included in the federal grant revenues at public institutions but tend to be included in tuition and fees and auxiliary enterprise revenues at private nonprofit and private for-profit institutions.

Figure 1. Percentage distribution of total revenues at postsecondary degree-granting institutions, by institution level, institution control, and source of funds: 2010–11



<sup>#</sup> Rounds to zero.

NOTE: Percentages are based on current 2010-11 dollars. Government grants, contracts, and appropriations include revenue from federal, state, and local governments. All other revenue includes gifts, grants, contracts, auxiliary enterprises, and other revenue. Revenue data are not comparable across institutional control categories because Pell grants are included in the federal grant revenues at public institutions but tend to be included in tuition and auxiliary enterprise revenues at private nonprofit and private for-profit institutions. Degree-granting institutions grant associate's or higher degrees and participate in Title IV federal financial aid programs. Detail may not sum to totals because of rounding.

SOURCE: U.S. Department of Education National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS). Spring 2012

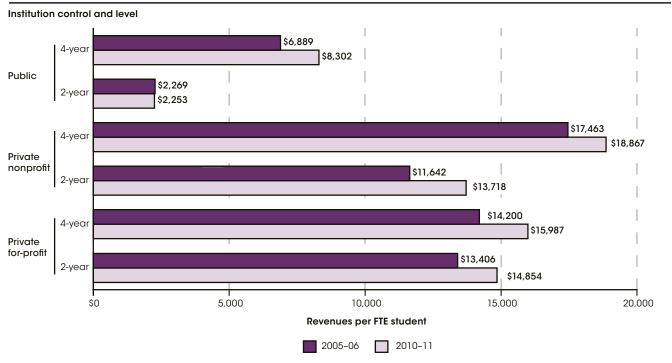
SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS), Spring 2012, Finance component. See *Digest of Education Statistics 2012*, tables 401, 405, and 407.

Revenues from tuition and fees made up over threequarters of all revenues for both 2-year and 4-year private for-profit institutions (87 and 90 percent, respectively) and 70 percent at 2-year private nonprofit institutions. Revenues from government sources (which include federal, state, and local government grants, contracts, and appropriations) constituted 41 percent of total revenues at 4-year public institutions and 72 percent at 2-year public institutions. Investment returns or investment income accounted for 26 percent of total revenues at 4-year private nonprofit institutions and 5 percent of total revenues at 4-year public institutions; this source accounted for less than 5 percent of total revenues for all other 4-year and 2-year postsecondary institutions.

For more information, see the Reader's Guide and the Guide to Sources.

Figure 2. Revenues per full-time-equivalent (FTE) student from tuition and fees for postsecondary degree-granting institutions, by institution control and level: 2005–06 and 2010–11

[In constant 2011–12 dollars]



NOTE: Full-time-equivalent (FTE) student includes full-time students plus the full-time equivalent of part-time students. Revenues per FTE student are reported in constant 2011–12 dollars, based on the Consumer Price Index (CPI) adjusted to a school-year basis. Revenue data are not comparable across institutional control categories because Pell grants are included in the federal grant revenues at public institutions but tend to be included in tuition and auxiliary enterprise revenues at private nonprofit and private for-profit institutions. Degree-granting institutions grant associate's or higher degrees and participate in Title IV federal financial aid programs.

SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS), Spring 2006 and 2011, Finance and Enrollment components. See *Digest of Education Statistics 2012*, tables 401, 405, and 407.

Between 2005-06 and 2010-11, the percentage change of revenues per full-time-equivalent (FTE) student varied by institutional control and level. Revenues per FTE student are reported in constant 2011–12 dollars, based on the Consumer Price Index (CPI). During this period, revenues from tuition and fees per FTE student increased by 16 percent at public institutions (from \$5,087 to \$5,884), by 8 percent at private nonprofit institutions (from \$17,400 to \$18,812), and were 12 percent higher at private for-profit institutions (\$13,990 vs. \$15,716). Between 2005–06 and 2010–11, across levels of public institutions, revenues from tuition and fees per FTE student increased by 21 percent at 4-year institutions (from \$6,889 to \$8,302), while at 2-year institutions revenues were 1 percent lower (\$2,269 vs. \$2,253). At private nonprofit institutions, revenues from tuition and fees per FTE student increased by 8 percent at 4-year

institutions (from \$17,463 to \$18,867) and by 18 percent at 2-year institutions (from \$11,642 to \$13,718). At private for-profit institutions, revenues from tuition and fees per FTE student at 4-year institutions were 13 percent higher in 2010–11 than they were in 2005–06 (\$15,987 vs. \$14,200), while at 2-year institutions they were 11 percent higher (\$14,854 vs. \$13,406).

The revenues from tuition and fees at public institutions rose more rapidly than did government revenues between 2005–06 and 2010–11. As a result, the percentage distribution of revenues from tuition and fees was higher in 2010–11 (19 percent) than in 2005–06 (17 percent), and the percentage distribution of revenues from government sources was lower in 2010–11 (46 percent) than in 2005–06 (48 percent).

Figure 3. Revenue per full-time-equivalent (FTE) student from government grants, contracts, and appropriations for postsecondary degree-granting institutions, by type of revenue and institution control and level: 2005–06 and 2010–11

[In constant 2011-12 dollars] Revenues per FTE student Federal Revenues per FTE student State \$12,000 \$10.299 10,000 10,000 \$9,239 \$7,792<sub>\$7,6</sub>86 8,000 8,000 \$6,728 \$5,759 6.000 6.000 4.846 \$3,610 \$4.07 4.000 4.000 \$2,758 \$1.919 2.000 2.000 \$690 <sup>\$914</sup> \$170 \$103 \$55 \$97 0 4-year 2-year **4**-vea 2-vear 4-vear 2-year 2-vear 4-vear 2-vear 4-year Private for-profit<sup>1</sup> **Public** Private nonprofit Private for-profit **Public** Private nonprofit Institution control and level Institution control and level

<sup>1</sup> The funding data for private for-profit institutions are not differentiated between state and local sources.

NOTE: Full-time-equivalent (FTE) student includes full-time students plus the full-time equivalent of part-time students. Revenues per FTE student are reported in constant 2011-12 dollars, based on the Consumer Price Index (CPI) adjusted to a school-year basis. Revenue data are not comparable across institutional control categories because Pell grants are included in the federal grant revenues at public institutions but tend to be included in tuition and auxiliary enterprise revenues at private nonprofit and private for-profit institutions. Degree-granting institutions grant associate's or higher degrees and participate in Title IV federal financial aid programs.

2010-11

2005-06

SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS), Spring 2006 and 2011, Finance and Enrollment components. See Digest of Education Statistics 2012, tables 401, 405, and 407.

Actual revenues per full-time-equivalent (FTE) student, in constant 2011–12 dollars, from government sources at public institutions were 2 percent higher in 2010–11 than in 2005–06 (\$14,638 vs. \$14,379), 3 percent lower at private nonprofit institutions (\$8,302 vs. \$8,554), and 1 percent lower at private for-profit institutions (\$1,087 vs. \$1,100).

Among types of government funding, state revenues per FTE student were generally lower in 2010–11 than in 2005–06 across postsecondary institutions. Compared with 2005–06, revenues per FTE student from state sources in 2010–11 were 10 percent lower at 4-year public institutions, 12 percent lower at 4-year private nonprofit institutions, 16 percent lower at 2-year public institutions, and 59 percent lower at 2-year private nonprofit institutions.

Across postsecondary degree-granting institutions, revenues from federal sources were higher at public institutions and generally lower at private nonprofit and private for-profit institutions in 2010–11 than in

2005–06. At public institutions, there was a 29 percent increase in federal revenues per FTE student, whereas the state revenues were 12 percent lower in 2010-11 than in 2005-06. Additionally, federal funding per FTE student, in constant 2011–12 dollars, was 17 percent higher at 4-year public institutions (\$6,728 vs. \$5,759) and increased by 88 percent (from \$1,922 to \$3,610) at 2-year public institutions. Compared with 2005–06, revenues per FTE student from federal sources in 2010-11 were 1 percent lower at private nonprofit institutions (\$7,738 vs. \$7,624). At 4-year private nonprofit institutions, federal revenues were also 1 percent lower in 2010-11 than in 2005–06 (7,686 vs. \$7,792), and at 2-year private nonprofit institutions federal revenues were 35 percent lower (\$1,790 vs. \$2,758). Revenues per FTE student from federal sources at private for-profit institutions were 3 percent lower in 2010-11 than in 2005-06 (\$989) vs. \$1,015). Additionally, federal funding was 32 percent higher at 4-year private for-profit institutions (\$914 vs. \$690) and 36 percent lower at 2-year private for-profit institutions (\$1,230 vs. \$1,919) in 2010–11 than in 2005-06.

Reference tables: Digest of Education Statistics 2012, tables 401, 405, 407

**Glossary:** Consumer Price Index (CPI), Full-time-equivalent (FTE) enrollment, Private for-profit institution, Private institution, Private nonprofit institution, Public school or institution, Revenue, Tuition and fees