

12/03/2018



College Pricing Trends Summary

Gretchen Becker, ACPE Research Analyst

This brief summarizes key resources and reports in college pricing and tuition for the upcoming 2019 academic year (AY) and highlights national and state trends.

[The College Board](#): Trends in College Pricing 2018 Report

Nationally, tuition and fees at colleges and universities were similar in the 2019 and 2018 academic years (AY) after adjusting for inflation. Increases in grant aid have meant that the net tuition increases were lower than the published tuition and fee increases; however, growth in grant aid between 2014-2019AY has not kept up with increases in tuition and has covered a smaller proportion of tuition and fees during that time.. More highlights from the report are summarized below.

College Prices

- Average in-state tuition and fees at public, 4-year institutions rose by \$6,770 from 1988AY to 2018AY.
- In the last decade, average in-state tuition and fees at public 4-year institutions has increased by 3.1% per year beyond inflation. This corresponds to an annual increase of \$270. The decade before, the increase was \$250 per year, and three decades ago the increase was \$170 per year.
- Public 2-year prices are over two times as high as 1989AY, and public 4-year prices are about three times as high.
- In 2019AY, average tuition and fees for in-state, public 4-year institutions range from Wyoming at \$5,400 to Vermont at \$16,610. Alaska average tuition and fees is \$7,820.

Affordability

- Public funding per student declined 8% between 2007AY to 2017AY to a national average of \$7,640. Alaska's funding per student in 2017AY was \$16,390, with 0% change over the decade.
- Aid and tax benefits more than cover tuition and fees, on average, at public 2-year institutions, leaving students with \$8,270 in room and board in 2019AY. Net tuition and fees at public 4-year institutions is \$3,800 in 2019AY after aid and tax benefits; \$15,000 including room and board.

12/03/2018

- The increase in the average, in-state public tuition and fees at 4-year institutions between 1988AY to 2018AY at \$6,770 corresponds to 57% of the increase in income gained by the middle 20% of families in the US during that time, and only 9% of the increase in income gained by the top 20% of families.
- Tuition and fees are 40% of student's total budget for in-state, on-campus, public 4-year institutions, and 20% of off-campus students' total budget at public, 2-year institutions. The remainder includes room and board, books and supplies, transportation, and other expenses estimated by the College Board Annual Survey of Colleges.

Table 1. US Average 2019AY College Pricing and 5-Year Change (2014AY to 2019AY)

	US Average	5-yr Change
In-state, public 4-year tuition and fees	\$10,230	+6.7%
In-district ¹ , public 2-year tuition and fees	\$3,660	+4.6%
Tuition, room, and board, in-state, public 4-year	\$21,370	+7.8%
Net tuition and fees (full-time, in-state, undergraduates), public 4-year	\$3,740	+10.3%
Net tuition, room, and board (full-time, in-state, undergraduates), public 4-year	\$14,880	+9.2%

IPEDS: Low-Income Net Price Trends Analysis²

Alaska's net price experienced by students from families with incomes below \$30,000 declined \$1,530 between 2013AY and 2016AY, while net price increased \$1,973 for students from families earning between \$30,001 and \$48,000 (Figure 1). Nationally, net price was stable for both income brackets. This analysis was not adjusted for inflation.

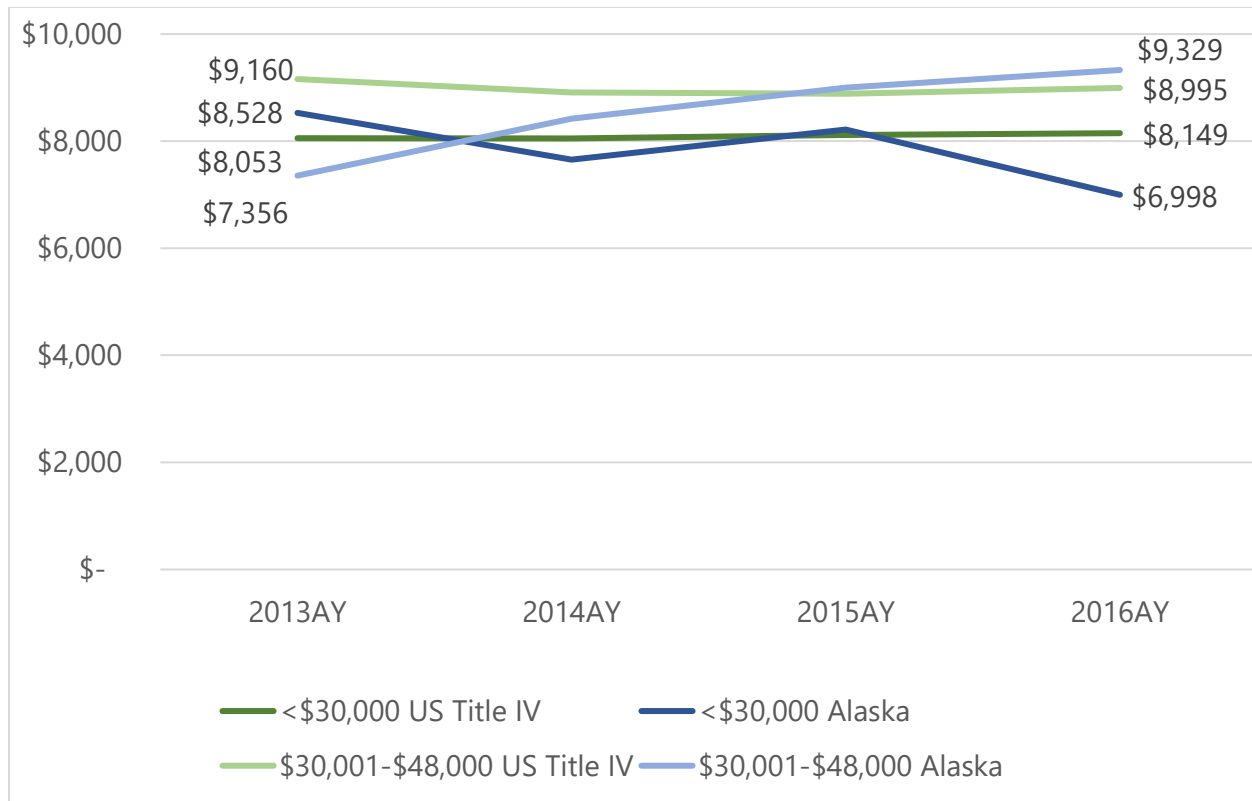
Figure 1. Alaska and US average net price of full-time, first-time, degree/certificate-seeking, lower-income undergraduates awarded Title IV federal financial aid, by income bracket (not adjusted for inflation)

¹ College Board uses IPED's definition for in-district tuition: The tuition charged by the institution to those students residing in the locality in which they attend school. This may be a lower rate than in-state tuition if offered by the institution. For more information visit:

<https://surveys.nces.ed.gov/ipeds/VisGlossaryAll.aspx>

² For more information and trend data from IPEDS (National Center for Education Statistics' Integrated Postsecondary Education Data System) visit: <https://nces.ed.gov/ipeds/use-the-data>

12/03/2018



[WICHE](#): Tuition and Fees in Public Higher Education in the West 2018-19 Report

Alaska has lower public 4-year tuition and fees but 1- and 5-year percent increases are much larger compared to the WICHE Western region average. Alaska has much higher public 2-year tuition and fees than the WICHE Western region average, and recent increases are also larger than the Western region average (Table 2).

Table 2. Public Tuition and Fees for Undergraduate Residents 2008-09 to 2018-19, Alaska and WICHE region average (Table 3a. from WICHE report)

	2019	2018	2014	2009	1-yr % Change	5-yr % Change	10-yr % Change
Alaska 4-Year Institutions	\$7,844	\$7,534	\$5,941	\$4,749	4.1%	32.0%	65.2%
Region 4-Year Institutions	\$8,786	\$8,612	\$7,678	\$5,122	2.0%	14.4%	71.6%
Alaska 2-Year Institutions	\$6,200	\$5,720	\$4,690	\$3,790	8.4%	32.2%	63.6%
Region 2-Year Institutions	\$2,847	\$2,787	\$2,554	\$1,709	2.1%	11.5%	66.5%