

A Closer Look at Postsecondary Education by Institution Type and Control

Increasing participation in postsecondary education in the United States has become an issue of vital importance to policymakers. Several indicators in this volume describe the current state of postsecondary education and others describe how it has been changing in recent decades. In this section, we take a closer look at postsecondary education in the United States by examining these indicators by institution type and control, primarily for undergraduate students. These institutional characteristics were selected because postsecondary education in the U.S. has been undergoing changes along these dimensions. Postsecondary education has traditionally been divided into public and private not-for-profit institutions, but in recent years private for-profit institutions have entered the marketplace in growing numbers. This has created additional opportunities for students seeking a postsecondary education, but it has also brought to light differences in how students pursue and pay for that education.

Enrollment and Degrees Conferred

The past three decades have experienced growth in postsecondary enrollments, primarily in the public sector, and most recently, in the private for-profit sector as well. Between 1980 and 1990, enrollment in undergraduate degree-granting institutions grew from 10.5 to 12.0 million students, an increase of 1.5 million students (see table A-HEP-2). Eighty-five percent of this increase (representing 1.3 million students) occurred at public institutions; 8 percent, at private not-for-profit institutions; and 7 percent, at private for-profit institutions. Between 1990 and 2000, undergraduate enrollment increased by 1.2 million students; 69 percent of this increase occurred at public institutions; 14 percent, at private not-for-profit institutions; and 16 percent, at private for-profit institutions. The greatest increase was seen in the most recent decade: from 2000 to 2009, undergraduate enrollment at degree-granting institutions increased by 4.4 million students. Of this increase, 65 percent occurred at public institutions, 9 percent at private not-for-profit institutions, and 27 percent (representing 1.2 million students) at private for-profit institutions. Undergraduate enrollment at

private for-profit 4-year institutions increased from 23,000 students in 1980 to 1.2 million students in 2009. During the same period, undergraduate enrollment at private for-profit 2-year institutions increased from 0.1 million to 0.4 million students.

The changes in enrollment numbers are similar to the changes in the number of degrees conferred: the number of undergraduate degrees has increased in the last decade, and changes in the percentage distribution of degrees conferred have differed depending on institution control. Between 1998–99 and 2008–09, there was a 41 percent increase in the number of associate’s degrees conferred and a 33 percent increase in the number of bachelor’s degrees conferred (see table A-DAI-1).

Although most associate’s degrees (76 percent in 2008–09) are conferred by public institutions, this percentage has decreased since 1998–99, when 80 percent of associate’s degrees were conferred by public institutions; the percentage conferred by private for-profit institutions has increased from 11 to 18 percent over the same period. In 2008–09, degree-granting institutions conferred 787,300 associate’s degrees, an increase of 227,400 from the number conferred in 1998–99. Of the additional 227,400 degrees, approximately two-thirds were conferred by public institutions and about one-third were conferred by private for-profit institutions. (Private not-for-profit institutions conferred slightly fewer associate’s degrees in 2008–09 than they did in 1998–99.)

At the bachelor’s level, the number of degrees conferred by private for-profit institutions more than quadrupled from 1998–99 to 2008–09, from about 16,000 to 85,000. In 1998–99, some 66 percent of bachelor’s degrees were conferred by public institutions, compared with 33 percent conferred by private not-for-profit institutions and about 1 percent conferred by private for-profit institutions. By 2008–09, the distribution had changed somewhat: 64 percent of bachelor’s degrees were conferred by public institutions; 31 percent by private not-for-profit institutions; and 5 percent by private for-profit institutions.

Table CL-1. Number of degrees conferred by degree-granting institutions and percent change, by control of institution and type of degree: Academic years 1998–99 and 2008–09

Type of degree and academic year	Total	Public	Private		
			Total	Not-for-profit	For-profit
Associate's					
1998–99	559,954	448,334	111,620	47,611	64,009
2008–09	787,325	596,098	191,227	46,929	144,298
Percent change	40.6	33.0	71.3	-1.4	125.4
Bachelor's					
1998–99	1,200,303	790,287	410,016	393,680	16,336
2008–09	1,601,368	1,020,435	580,933	496,260	84,673
Percent change	33.4	29.1	41.7	26.1	418.3
Master's					
1998–99	439,986	238,501	201,485	192,152	9,333
2008–09	656,784	308,206	348,578	285,098	63,480
Percent change	49.3	29.2	73.0	48.4	580.2
First-professional					
1998–99	78,439	31,693	46,746	46,315	431
2008–09	92,004	37,357	54,647	53,572	1,075
Percent change	17.3	17.9	16.9	15.7	149.4
Doctoral					
1998–99	44,077	28,134	15,943	15,501	442
2008–09	67,716	39,911	27,805	25,169	2,636
Percent change	53.6	41.9	74.4	62.4	496.4

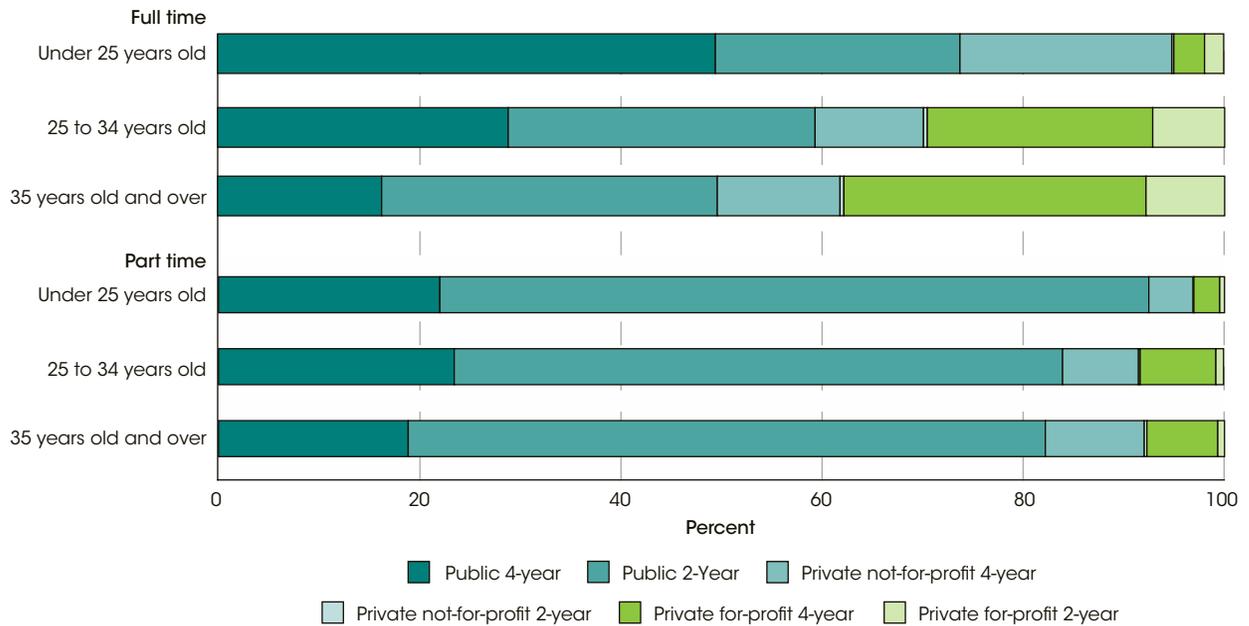
NOTE: Includes only institutions that participated in Title IV federal financial aid programs. For more information on the Integrated Postsecondary Education Data System (IPEDS) and IPEDS classification of institutions, see *supplemental notes 3 and 8*. See the glossary for definitions of first-professional degree and doctoral degree.

SOURCE: U.S. Department of Education, National Center for Education Statistics, 1998–99 and 2008–09 Integrated Postsecondary Education Data System (IPEDS), "Completions Survey" (IPEDS-C:99) and Fall 2009.

Of the 17.6 million undergraduate students enrolled in degree-granting institutions in fall 2009, some 36 percent attended public 4-year institutions, 40 percent attended public 2-year institutions, 15 percent attended private not-for-profit 4-year institutions, less than 1 percent attended private not-for-profit 2-year institutions, 7 percent attended private for-profit 4-year institutions, and 2 percent attended private for-profit 2-year institutions, (see table A-PSI-1). This pattern varied by race/ethnicity. For example, 38 percent of White students attended public 2-year institutions, compared with 40 percent of Black students, 42 percent of Asian/Pacific Islander students, 45 percent of American Indian/Alaska Native students, and 52 percent of Hispanic students. In addition, 17 percent of Black undergraduate students attended private for-profit institutions in 2009, compared with 10 percent of Hispanic students, 9 percent of nonresident alien students, 7 percent of White students, and 5 percent (each) of Asian/Pacific Islander and American Indian/Alaska Native students.

Forty-four percent of full-time undergraduate students who enrolled in degree-granting institutions in fall 2009 attended public 4-year institutions, while 26 percent attended public 2-year institutions, 19 percent attended private not-for-profit 4-year institutions, less than one percent attended private not-for-profit 2-year institutions, 8 percent attended private for-profit 4-year institutions, and 3 percent attended private for-profit 2-year institutions. However, 30 percent of full-time students ages 35 and over attended private for-profit 4-year institutions, compared with 3 percent of full-time students under the age of 25. In 2009, some 66 percent of part-time undergraduate students enrolled in public 2-year institutions, 22 percent enrolled in public 4-year institutions, 7 percent enrolled in private not-for-profit 4-year institutions, and 5 percent enrolled in private for-profit 4-year institutions (less than one percent each enrolled in private not-for-profit and private for-profit 2-year institutions). Some 70 percent of part-time students under the age of 25 enrolled in public 2-year institutions, compared with 24 percent of full-time students under the age of 25.

Figure CL-1. Percentage distribution of fall undergraduate enrollment in degree-granting institutions, by control of institution and age and attendance status of student: Fall 2009



NOTE: Degree-granting institutions grant associate's or higher degrees and participate in Title IV federal financial aid programs. For more information on IPEDS, see *supplemental note 3*. Institutions in this indicator are classified based on the highest degree offered. For more information on the classification of postsecondary institutions, see *supplemental note 8*. SOURCE: U.S. Department of Education, National Center for Education Statistics, 2009 Integrated Postsecondary Education Data System (IPEDS), Spring 2010.

Use of resources

The changes in postsecondary undergraduate enrollment by institution type and control have been accompanied by changes in how coursework is delivered. Distance education courses, including those delivered by live, interactive audio or videoconferencing; pre-recorded instructional videos; webcasts; CD-ROM or DVD; and computer-based systems delivered over the Internet, can provide flexible learning opportunities for students. In 2007–08, about one in five undergraduate students, or 4.3 million, took at least one distance education course (see table A-DHE-1). However, in that year there were differences between institution types in the percentages of students taking distance education courses and in the percentages who were completing their entire program through distance education. A lower percentage of students at private not-for-profit institutions (14 percent) took distance education courses than did students at public institutions (22 percent) and private for-profit institutions (21 percent). In addition, at private for-profit institutions, 12 percent of students took their entire program through distance education, which was higher than the percentage who did so at both public and private

not-for-profit institutions (3 percent each). Students at private for-profit 4-year institutions had the highest rate of distance course taking (30 percent) of all the institution types, as well as the highest rate taking their entire program through distance education (19 percent).

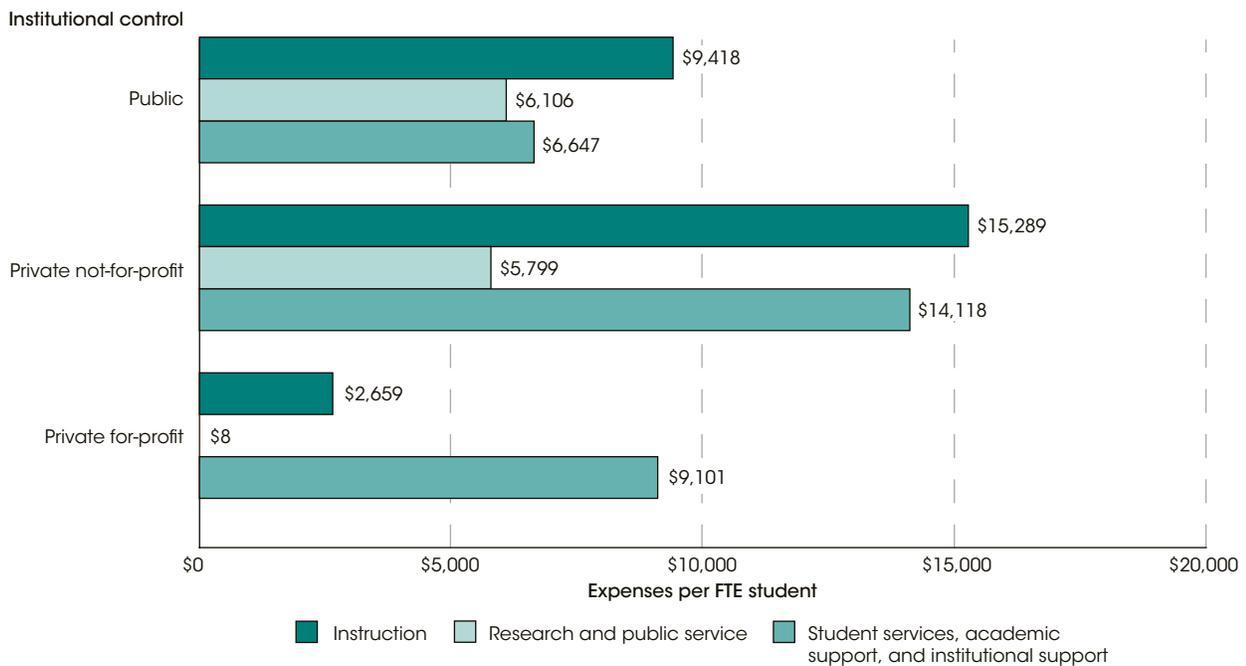
Differences in the delivery of education can be associated with how institutions distribute their resources. In 2008–09, total expenses for degree-granting institutions were \$273 billion at public institutions, \$141 billion at private not-for-profit institutions, and \$16 billion at private for-profit institutions (see table A-REP-3). Expenses for instruction were 28, 33, and 24 percent of total expenses, respectively, for public, and private not-for-profit, and private for profit institutions (with per FTE student spending in constant 2009–10 dollars of \$9,418, \$15,289, and \$2,659, respectively). Student services, academic support and institutional support expenses were 20, 30, and 67 percent of total expenses for public, private not-for-profit and private for-profit institutions (with per FTE student spending of \$6,647, \$14,118, and \$9,101, respectively).

Figure CL-2. Percentage of undergraduate students in postsecondary institutions taking distance education courses, by control and type of institution: 2003-04 and 2007-08

NOTE: Estimates pertain to all postsecondary students who enrolled at any time during the school year at an institution participating in Title IV programs. Distance education participation includes participation at any institution for students attending more than one institution during the school year. Data include Puerto Rico. For more information on the National Postsecondary Student Financial Aid Study (NPSAS), see *supplemental note 3*. For more information on the classification of postsecondary education institutions, see *supplemental note 8*. SOURCE: U.S. Department of Education, National Center for Education Statistics, 2003-04 and 2007-08 National Postsecondary Student Aid Study (NPSAS:04 and NPSAS:08).

Figure CL-3. Expenses per student at 4-year degree-granting postsecondary institutions, by institutional control and purpose: Academic year 2008-09

[In constant 2009-10 dollars]



NOTE: Full-time-equivalent (FTE) enrollment includes full-time students plus the full-time equivalent of part-time students. Data are adjusted by the Consumer Price Index (CPI) to constant 2009-10 dollars. For more information on the CPI, see *supplemental note 10*. For more information on the Integrated Postsecondary Education Data System (IPEDS), see *supplemental note 3*. SOURCE: U.S. Department of Education, National Center for Education Statistics, 2008-09 Integrated Postsecondary Education Data System, Spring 2010.

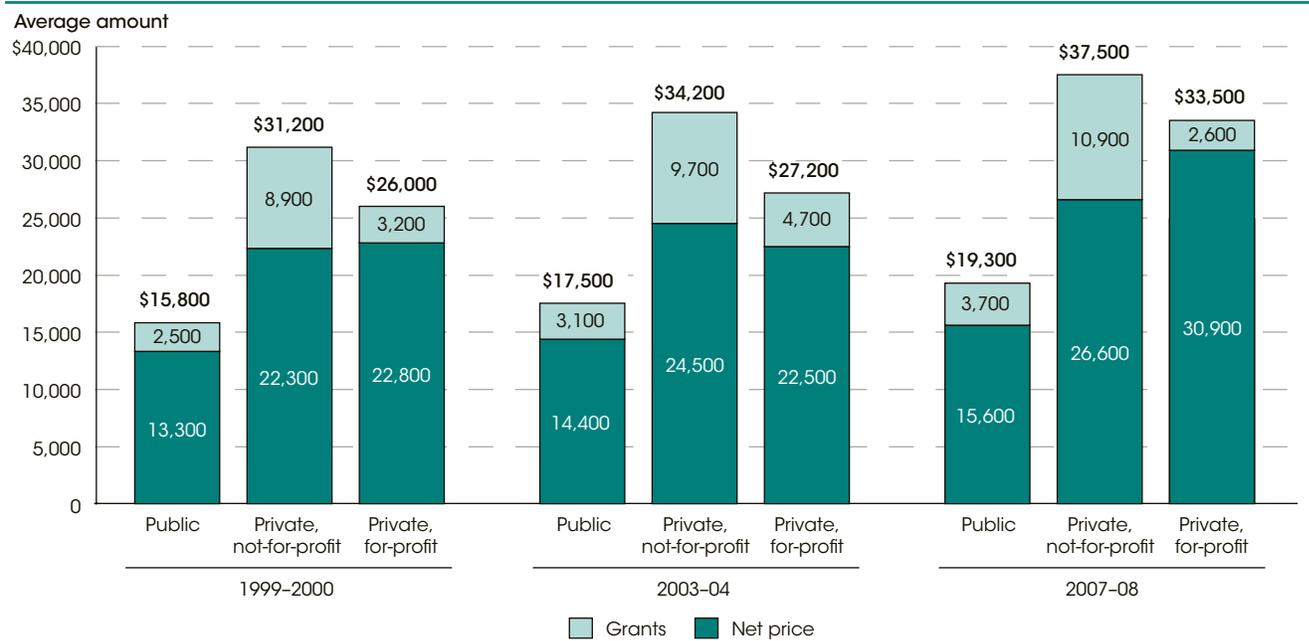
Student financing

One major concern for students pursuing postsecondary education is how to pay for it. The total price of attending a postsecondary institution includes tuition and fees, books and materials, and living expenses. In 2007–08, the average total price of attendance (in constant 2009–10 dollars) for students—that is, full-time, full-year, dependent undergraduates who attended only one

institution during the year—was \$19,300 at public 4-year institutions and \$12,100 at public 2-year institutions (see table A-CST-1). At private institutions, the total price was \$37,400 at not-for-profit 4-year institutions \$23,800 at not-for-profit 2-year institutions, \$33,500 at for-profit 4-year institutions and, \$27,900 at for-profit 2-year institutions.

Figure CL-4. Average total price, grants, and net price for full-time, full-year, dependent undergraduates at 4-year institutions, by institution control: Academic years 1999–2000, 2003–04, and 2007–08

[In constant 2009–10 dollars]



NOTE: *Full time* refers to students who attended full time (as defined by the institution) for the full year (at least 9 months). *Net price* is an estimate of the cash outlay that students and their families need to make in a given year to cover educational expenses. Averages were computed for all students, including those who did not receive financial aid. Data were adjusted by the Consumer Price Index for All Urban Consumers (CPI-U) to constant 2009–10 dollars. For more information on the CPI-U, see *supplemental note 10*. Estimates exclude students who were not U.S. citizens or permanent residents and therefore ineligible for federal student aid and students who attended more than one institution in a year, due to the difficulty of matching information on price and aid. Detail may not sum to totals due to rounding. SOURCE: U.S. Department of Education, National Center for Education Statistics, 1999–2000, 2003–04, and 2007–08 National Postsecondary Student Aid Studies (NPSAS:2000, NPSAS:04, and NPSAS:08).

Grants and loans are the major forms of federal financial support for postsecondary students. Federal grants (e.g. Pell grants), do not need to be repaid, and are available only to undergraduates who qualify by economic need, whereas loans are available to all students. In addition to federal financial aid, there are also grants from state and local governments, institutions, and private sources. In 2007–08, about two-thirds (65 percent) of full-time, full-year undergraduates received a grant from any source and one-third (33 percent) received a federal grant (see table A-FGL-1). At public 4-year institutions, some 29 percent of full-time, full-year undergraduates received federal grants in 2007–08, compared with 28 percent of undergraduates at private not-for-profit institutions and 56 percent of undergraduates at private for-profit 4-year institutions. At 2-year institutions, some 37 percent of students at public institutions, 52 percent of students at private not-for-profit institutions, and nearly three-quarters (74 percent) of student at private for-profit institutions received federal grants in 2007–08.

Forty-nine percent of first-time, full-time students at degree-granting institutions had a student loan in 2008–09 (see table A-TLD-1). At public 4-year institutions, some 47 percent of these students had student loans and the average loan amount was \$6,000 (in constant 2009–10 dollars). At private not-for-profit 4-year institutions, some 61 percent of first-time, full-time students had loans and the average loan amount was \$7,700. At private for-profit 4-year institutions, 81 percent of these students had loans, and the average loan amount was \$9,800. Looking at 2-year institutions, some 21 percent of first-time, full-time students at public institutions had loans in 2008–09, with an average loan amount of \$4,200; in contrast, 58 percent of these students at private not-for-profit institutions had a loan, with an average loan amount of \$6,100, and 78 percent of these students at private for-profit institutions had a loan, with an average loan amount of \$7,800.

Figure CL-5. Average tuition and fees and average loan amounts at postsecondary institutions, by control and type of institution: 2008–09

NOTE: Degree-granting institutions grant associate's or higher degrees and participate in Title IV federal financial aid programs. Tuition and fees amounts for public institutions are the averages for in-state students. Tuition and fee data are collected in the fall and loan data are collected in the spring. For more information on the Integrated Postsecondary Data System (IPEDS) and IPEDS classification of institutions, see *supplemental notes 3 and 8*. Data were adjusted to constant 2009–10 dollars using the Consumer Price Index for All Urban Consumers (CPI-U). For more information on the CPI-U, see *supplemental note 10*.

SOURCE: U.S. Department of Education, National Center for Education Statistics, 2009–10 Integrated Postsecondary Education Data System (IPEDS), Spring 2009.

Approximately 3.2 million students entered the repayment phase of their student loans in fiscal year (FY) 2008, meaning their students loans became due between September 30, 2007 and October 1, 2008 (see table A-TLD-2). Of those students, 7 percent defaulted within 2 years, or by October 1, 2010. The default rates for the

FY 2008 cohort were highest at private for-profit 4-year institutions (11 percent) and private for-profit 2-year institutions (12 percent). The lowest default rates for that same cohort were at public and private not-for-profit 4-year institutions (4 percent each).

Figure CL-6. Two-year student loan cohort default rates at degree-granting institutions, by control and type of institution: Fiscal years 2006–2008

NOTE: Includes undergraduate and postbaccalaureate students. Degree-granting institutions grant associate's or higher degrees and participate in Title IV federal financial aid programs. The 2-year cohort default rate is the percentage of borrowers who enter repayment on certain Federal Family Education Loan (FFEL) Program or William D. Ford Federal Direct Loan (Direct Loan) Program loans during a particular federal fiscal year (a fiscal year runs from October 1 to September 30) and default or meet other specified conditions within the cohort default period. The cohort default period is the two-year period that begins on October 1 of the fiscal year when the borrower enters repayment and ends on September 30 of the following fiscal year. For more information on the Integrated Postsecondary Data System (IPEDS) and IPEDS classification of institutions, see *supplemental notes 3 and 8*.

SOURCE: U.S. Department of Education, Federal Student Aid, Direct Loan and Federal Family Education Loan Programs, Cohort Default Rate Database, retrieved November 5, 2010, from <http://www2.ed.gov/offices/OSFAP/defaultmanagement/cdr.html>.

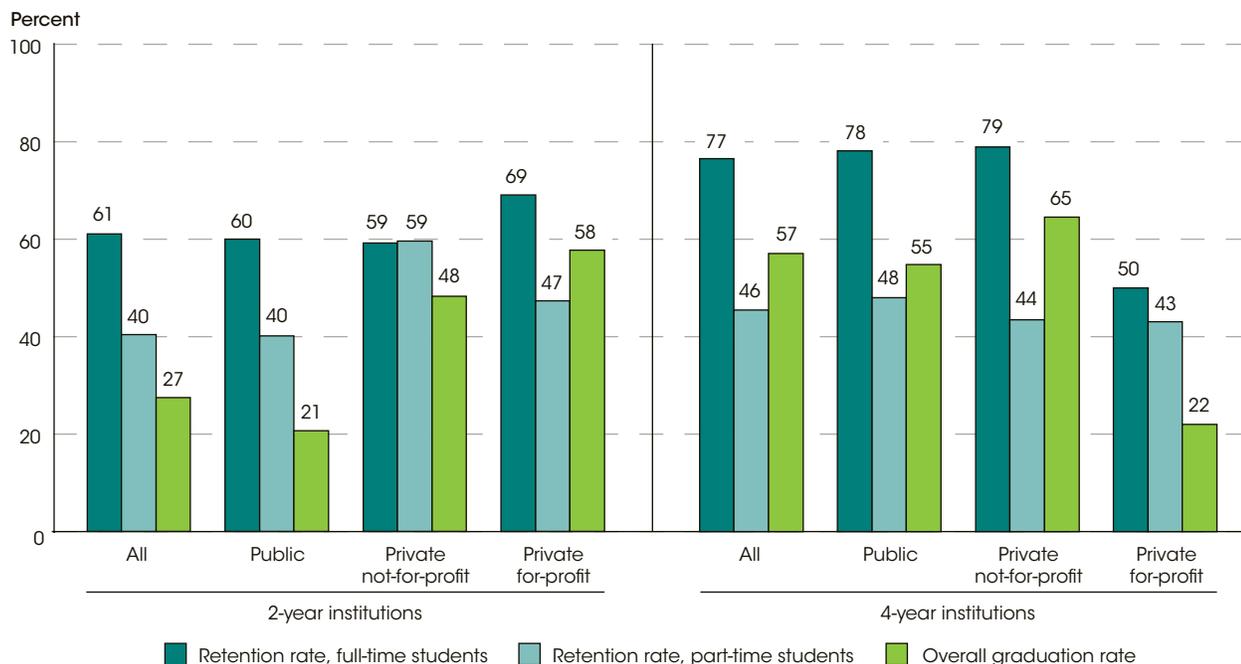
Persistence and outcomes

Finally, we turn to persistence and outcomes in postsecondary education. One measure of persistence is the retention rate, defined as the percentage of students who enrolled in an institution in the fall and returned to that same institution the following year to continue their studies. Some 77 percent of full-time students and 46 percent of part-time students who entered 4-year institutions in 2008 returned the following year to continue their studies (see table A-PSI-2). Seventy-eight percent of full-time and 48 percent of part-time students who enrolled in public 4-year institutions in 2008 returned the following year; 79 percent of full-time and 44 percent of part-time students did so at private not-for-profit 4-year institutions; and 50 percent of full-time and 43 percent of part-time students did so at private for-profit 4-year institutions. At 2-year institutions, the

retention rates for those who entered school in 2008 were the following: 59 percent of full-time and 40 percent of part-time students at public institutions, 59 percent of full-time and 60 percent of part-time students at private not-for-profit institutions, and 69 percent of full-time and 47 percent of students at private for-profit institutions.

Turning to outcomes, the bachelor's degree completion rates of students who began seeking a bachelor's degree at 4-year institutions in fall 2002 varied by the type of institution. Graduation rates were highest at private not-for-profit institutions, followed by public institutions and private for-profit institutions. For example, the 6-year graduation rate at private not-for-profit institutions was 65 percent, compared with 55 percent at public institutions and 22 percent at private for-profit institutions (see table A-PGR-1).

Figure CL-7. Overall graduation rates and retention rates at degree-granting undergraduate institutions, by control and level of institution: Fall 2009



NOTE: Degree-granting institutions grant associate's or higher degrees and participate in Title IV federal financial aid programs. The retention rate is the percentage of first-time, bachelor's degree-seeking students who return to the institution to continue their studies the following year, in this case Fall 2009. The overall graduation rate is the percentage of full-time, first-time students who graduated within 150 percent of normal program completion time, in this case by Fall 2008 for the cohort that enrolled in 4-year institutions in Fall 2002 and for the students that enrolled in 2-year institutions in Fall 2005. For more information on IPEDS, see *supplemental note 3*. Institutions in this indicator are based on the highest degree offered. For more information on the classification of postsecondary institutions, see *supplemental note 8*. SOURCE: U.S. Department of Education, National Center for Education Statistics, 2009 Integrated Postsecondary Education Data System (IPEDS), Spring 2010.

At both public and private not-for-profit 4-year institutions, the 6-year graduation rates for both males and females who began seeking a bachelor's degree in fall 2002 varied by the acceptance rate of the institution. For example, at public 4-year institutions with open admissions policies, 27 percent of males and 34 percent of females completed a bachelor's degree or its equivalent within 6 years (see table A-PGR-2). At public 4-year institutions where the acceptance rate was less than 25 percent of applicants, however, the 6-year graduation rate for males was 73 percent and for females, 72 percent.

At 2-year institutions, about 27 percent of first-time, full-time students who enrolled in fall 2005 completed a certificate or associate's degree within 150 percent of the normal time required to complete such a degree (see table A-PGR-3). For the cohort who enrolled in 1999, the completion rate was 29 percent. The certificate

or associate's degree completion rate of students who enrolled in fall 2005 at 2-year institutions varied by institution type. Twenty-one percent of students graduated within 150 percent of the normal time at public 2-year institutions, 48 percent did so at private not-for-profit institutions, and 58 percent did so at private for-profit public institutions

This Closer Look provides a snapshot on what postsecondary education looks like today, particularly the differences in enrollment, resource use, student financing and outcomes by institution type and control. It is projected that by 2020, there will be nearly 20 million students enrolled in undergraduate institutions (see table A-HEP-1). The dynamic nature of this sector suggests that these factors may look quite different for those 20 million students.

Technical Notes

When looking at these data it is important to understand who, specifically, they apply to. Undergraduate students are the focus of this Closer Look. However, the indicators on expenses per student and on two-year cohort default rates apply to all postsecondary students. In addition, some indicators, such as the percentage distribution in degree-granting institutions, separate students into full-time and part-time subgroups. Other indicators, such as postsecondary graduation rates and the average total price of attendance, pertain only to full-time (as defined by the institution), full-year (attending at least 9 months out of the year) students who attended only one institution during the year. (The indicator that discusses average total price, grants, and net price is further limited to dependent students.)

Postsecondary education is a term that encompasses a wide range of academic options for students beyond high school, ranging from certificates to advanced degrees. The term postsecondary institution is the category used to refer to institutions with formal instructional programs and a curriculum designed primarily for students who have completed the requirements for a high school diploma or its equivalent. Institutions are characterized by type of financial control—public, private not-for-profit, and private for-profit, as well as by

level—4-year-and-above (4-year), 2-year but less-than-4-year (2-year), and less-than-2-year. For more information on the classification of postsecondary institutions, see *supplemental note 8*.

The postsecondary data used in this Closer Look are from the Integrated Postsecondary Education Data System (IPEDS), the National Postsecondary Student Aid Study (NPSAS), and the Federal Student Aid Direct Loan and Federal Family Education Loan Programs Cohort Default Rate database. IPEDS data are collected at the institution level and participation in the data collection is a requirement for institutions that participate in Title IV federal student financial aid programs, such as Pell grants or Stafford loans. NPSAS data are based on a representative sample of all students in postsecondary education institutions that are eligible to participate in the federal financial aid programs under Title IV. The Federal Student Aid Cohort Default Rate database encompasses all borrowers with Federal Family Education Loans (FFELs) or William D. Ford Federal Direct loans. FFELs include subsidized or unsubsidized Federal Stafford loans and Federal Supplemental Loans for Students (Federal SLS loans). For more information on IPEDS, NPSAS, or Federal Student Aid, see *supplemental note 3*.