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## FINANCIAL IMPACT ON STATES OF THE PROPOSED GAINFUL EMPLOYMENT REGULATIONS: STATE-BY-STATE ESTIMATES OF HOW MUCH PROPRIETARY COLLEGES AND UNIVERSITIES SAVE STATE TAXPAYERS

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## Introduction and Executive Summary

As the federal government increases its regulatory restrictions on proprietary postsecondary institutions, states are likely to face steep bills to educate the students attending those schools who may have to enroll in public institutions to advance their education.

In a report published in March, we showed the potential size of the bill faced by California, New York, Ohio and Texas. By enrolling almost 1.4 million full-time equivalent students, students who would likely otherwise be enrolled in public institutions, we estimated that proprietary institutions in these four states made possible savings to their taxpayers of as much as $1.7 billion per year in state appropriations.[2] Since the release of that report, much has taken place at the U.S. Department of Education (ED), and among policymakers and regulators. These developments warrant an update of the study to include the impact on all 50 states and the District of Columbia of significant restrictions on access to proprietary colleges and universities.

Among these developments, perhaps the most important was ED's release in March of its Gainful Employment Notice of Proposed Rulemaking.[3] According to ED's accompanying press

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[2] Klor de Alva, J., & Schneider, M. (2014*) Do Proprietary Higher Education Institutions Generate Savings for States? The Case of California, New York, Ohio and Texas*. San Francisco: Nexus Research and Policy Center. Retrieved from http://www.nexusresearch.org.

[3] http://www2.ed.gov/policy/highered/reg/hearulemaking/2012/notice-proposed-rulemaking-march-14-2014.pdf.

release, the proposed regulations will affect "about 1 million students [who] are enrolled in programs that would either fail or fall in the zone for improvement under the accountability metrics."[4] As ED closes these programs, these students will need to find other institutions, most likely state supported ones, in which to enroll.

Three months after the release of these proposed regulations ED put a 21-day hold on Corinthian Colleges, Inc.'s access to federal student financial aid, thereby precipitating the collapse of the three cash strapped postsecondary systems owned by Corinthian, leaving 72,000 students in limbo.[5] Other proprietary institutions, especially ITT Technical Institute,[6] are in the crosshairs. Although many non-profit private institutions are eager to recruit the new traditional students that today make up the majority of college students, most of the displaced students wishing to continue their postsecondary education will have few options—for reasons of distance, lack of convenient offerings, limited student services, and problems with credit transfer—beyond public institutions, saddling state taxpayers with the cost of educating these displaced proprietary school students or the need to raise the tuition of all students to cover the increased enrollment.[7]

*The federal government and the states, therefore, need to be aware of the financial burdens likely to result from ED policies that restrict or even eliminate a large slice of the proprietary higher education sector. This study aims to provide data needed by federal agencies and states to better understand the extent of that potential financial burden.*

We focus first on the costs state taxpayers will likely incur if the proposed Gainful Employment (GE) regulations go into effect as originally drafted and the 1 million students enrolled in at-risk programs turn to broad-access public universities and community colleges for their education. On the basis of the data provided in March by ED, we calculate (as explained below) that currently there are approximately 231,000 bachelor's and 391,000 associate's degreed graduates annually from at-risk programs.[8] Based on these numbers of graduates, we estimate that the associated appropriations needed to educate in public institutions the students

[4] http://www.ed.gov/news/press-releases/obama-administration-takes-action-protect-americans-predatory-poor-performing-ca.

[5] See http://online.wsj.com/news/article_email/obamas-corinthian-kill-1406327662-lMyQjAxMTA0MDIwNzEyNDcyWj?tesla=y.

[6] See http://www.marketwatch.com/story/the-consumer-financial-protection-bureau-proving-its-the-right-agency-for-the-job-when-regulating-student-loans-2014-08-20

[7] See, for example, http://chronicle.com/article/Corinthian-s-Crisis-Raises/147325/?cid=wb&utm_source=wb&utm_medium=en. We recognize that most projections indicate declines in high school enrollments in many states and regions; consequently, many enrollment managers and deans of admissions, in public and non-profit institutions, may be keen to recruit the potentially displaced students. However, we have no way to quantify either the percentage of displaced students who might seek to attend those institutions or the accommodations states are likely to make to integrate displaced students in their institutions without incurring additional costs. This implies that our calculations may overstate the costs to states.

[8] See Table 1. We have excluded certificate program graduates from our study, making our estimates of state costs lower than they otherwise may be, and perhaps offsetting the overestimate noted in footnote 7.

enrolled in the at-risk programs[9] will be almost $1.17 billion for those in bachelor's and over $3 billion for those in associate's programs. ***That is, the states and D.C. could face a financial burden of up to $4.2 billion to educate the 622,000 degree-seeking students. Furthermore, this amount is for one year only. An assessment of the impact of additional costs to state taxpayers, for example over five or ten years, would increase the estimated costs at the high end to somewhere between $20 and $43 billion.***

In the second part of this report we estimate how much proprietary institutions as a whole save state taxpayers and in so doing we project the potential costs to states if the sector was eliminated. While the death of a sector that educates over 10 percent of America's postsecondary students seems remote, understanding how much proprietary colleges save states helps to put in context the negative financial effect on state taxpayers of the policies being proposed by ED that have the potential to chip away at the sector.

***During the five-year period we studied, the proprietary sector enrolled nearly 4.7 million FTE students in the 50 states plus D.C. at an estimated saving to the states and the nation's capital of nearly $28 billion. In the sector's absence that saving would be converted into a $28 billion liability had the states enrolled the displaced students in their public institutions.***[10]

None of this is meant as an argument for loosening regulations—on Gainful Employment or other matters—that are reasonably aimed at improving the performance of proprietary, independent, and public institutions. ***After all, higher education is no place to store bad apples.***

However, our data should caution state legislators, public officials, policy makers, college administrators, and taxpayers who believe that it is in the best financial interest of taxpayers to shift responsibility for the education of hundreds of thousands of students from the proprietary to the public sector—a sector that is too frequently ill equipped and undercapitalized to handle such an influx.

Finally, this study serves as a reminder to policy makers that when comparing costs between public and proprietary institutions, it is important to consider not just the cost to students and

[9] Projected to academic year (AY) 2014-15, based on AY 2011-2012 IPEDS and ED numbers. Note, under the proposed GE rules, rates determining at-risk status were not calculated for an award year if fewer than 30 students completed the program during an applicable cohort period or if earnings information for the program were missing (see https://www.federalregister.gov/articles/2014/03/25/2014-06000/program-integrity-gainful-employment#h-31 ). Therefore, each state may expect a higher actual figure of at-risk students, even those with zero projected graduates in at-risk programs.

[10] It is important to note that these are current expenditures and do not include the construction of additional buildings or the expansion of technology platforms required to accommodate fully online instruction for the thousands of new students who would potentially enroll in public institutions. We have specifically left these costs out, not only because they are impossible to quantify accurately, but because declining enrollments in some states—due to a smaller number of high school graduates, combined with a declining interest in going to formal programs beyond high school—are already leaving some public institutions underutilized. Furthermore, many public institutions are now pressing forward with online education programs.

their families represented by the tuition charged by each institution, but also the per-student public subsidy that supports the real cost of education.

## Section 1: Measuring the Financial Impact of the Proposed Gainful Employment Regulations on States

In this section we describe our methods for estimating the number of students affected by the Gainful Employment regulations, the overall number of students found in each of the individual states, and the additional state/local appropriations that might be needed to pay for the education of those students if they were to shift from proprietary to public institutions.

To estimate the number of students affected, we begin with the numbers released by ED in March of 2014. The report in the Federal Register[11] documenting ED's calculations on the number of students likely to be affected by the implementation of the GE regulations specifies both a 1,200,000 figure for 2010 and an 800,000 number for 2016.[12] The average between these two numbers is likely the basis for ED's statement in its press release that 1,000,000 students would be affected by the proposed rules. *Following ED, we use their estimate of 1 million students in our calculations of the financial implications to taxpayers if ED closes these programs.*

### Estimating the Number of Students in Proprietary Institutions in At-Risk Programs in 2014

Our first task is to convert the numbers of graduates from at-risk programs into an estimate of the number of students enrolled in such programs on a state-by-state basis. We begin with two numbers released by ED.

First, ED reported the number of *graduates* from at-risk proprietary programs in 2011. We aggregated these program level counts to an aggregate state count. Second, we use ED's estimate of 1 million affected enrolled students in 2014. We combine data from IPEDS and these 2011 GE data to partition these million students at-risk nationwide across states.

Since we are focused on degrees, not certificates, we needed to partition ED's estimate of 1 million students across certificates, associate's and bachelor's level enrollees. As we explain in greater detail below, we used the IPEDS count of the number of certificates, associate's and bachelor's degrees granted by proprietary institutions in AY2011-2012, the latest year for which we had data. We applied these proportions to the 1 million overall number to estimate the number of associate's and bachelor's degree students in 2014 who were enrolled in at-risk

[11] http://www.gpo.gov/fdsys/pkg/FR-2014-03-25/pdf/2014-06000.pdf.

[12] This includes both students identified as in failing programs and students in programs falling within the so-called warning "zone." Programs that end up in the zone effectively fail because the data upon which the failure is based is historical; therefore, there is no opportunity to remedy the weak program retroactively.

programs. As evident in Table 1, we calculate that around 231,000 bachelor's degree students and 391,000 associate's degree students were enrolled nationwide in at-risk proprietary programs in 2014.

We needed to "assign" these students to their respective states. To do this, we first calculated the proportion of graduates in at-risk programs at each state as reported in the 2011 GE data.[13] We then applied each state's percentage to our overall national estimate of students in at-risk programs, for the associate's and the bachelor's levels separately.

We illustrate our method using data from Illinois—a method we repeated for each state and the District of Columbia.

*Estimating associate's degree enrollments in at-risk programs*

- We estimate that there were approximately 391,000 associate's degree graduates in at-risk programs.
- Of these, approximately 9% (6,064) graduated from at-risk programs in Illinois.
- We apply this percent to the 391,000 national estimate to produce an estimate of approximately 35,000 associate's degree students enrolled in at-risk programs in Illinois.

*Estimating bachelor's degree enrollments in at-risk programs*

- For bachelor's students, we estimate that there were approximately 231,000 bachelor's degree students in at-risk programs nationwide.
- Of these over 21% (6,161) were graduates from proprietary at-risk programs in 2011.
- We apply the more than 21% against our national estimate of 231,000, resulting (in rounded numbers) in an estimate of approximately 49,500 bachelor's degree students enrolled in at-risk programs in Illinois.[14]

We repeat this procedure for each state and the District of Columbia. With an estimate of the numbers of at-risk students in each state, our final task is to calculate the added state/local appropriations that would be needed to educate these students in public institutions.

**Estimating the Added State Appropriations Needed if Students in Proprietary Institutions in At-Risk Programs in 2014 Attended State Institutions**

[13] Because numbers were only given when more than 30 graduates had been enrolled in an at-risk program, we recognize that the total actual numbers of students we estimate in at-risk programs are necessarily an undercount.
[14] The numbers have been rounded to 00s.

We calculate the financial costs of enrollment shifts at two- and four-year public institutions separately. ***Because financial aid, such as Pell grants, goes to students, not to the institutions, the students in the at-risk programs in the proprietary schools would likely be eligible for the same level of federal financial aid if they attended public institution; therefore, we do not look at the federal taxes used to support these students.*** Further, in a few states, proprietary institutions already receive some appropriations for the benefit of specific students. We take these existing funds into account, subtracting them from our calculations of "additional appropriations" needed to accommodate in public institutions students in the at-risk programs at proprietary colleges.[15] This prevents any "double billing" against state appropriations.

Finally, to estimate how much the states will have to appropriate to cover the costs of the education of the associate's and bachelor's students if they enrolled in public rather than proprietary institutions, we take the projected number of students in at-risk bachelor's and associate's programs and multiply that number by the average state appropriation per full-time equivalent (FTE) student for broad-access four-year public institutions in the state or by the average state and local appropriation per FTE student for community colleges, respectively. [16] Table 1 presents our national projected estimates for the number of students in 2014 enrolled in at-risk programs at two- and four-year institutions and the overall amount of appropriations needed to service them in public institutions. Tables 2 and 3 present state estimates of enrollments and costs.

***It is important to note that these are current expenditures and do not include the construction of additional buildings or the expansion of technology platforms required to accommodate fully online instruction for the thousands of new students who would potentially enroll in public institutions.*** In effect, we are extrapolating the level of current resources used for teaching without estimates of infrastructure expansion required to serve additional students. Consequently, we are not presenting data on the number of applications turned down by public institutions that are at or near full capacity.[17] And while proprietary institutions tend to enroll a higher percentage of disadvantaged students than do broad-access public institutions, this study focuses solely on the analysis of average per full-time equivalent (FTE) student costs, not adjusting for any further costs institutions might incur to educate disadvantaged students.

[15] See Appendix B, Table B.3 for the appropriations received by proprietary institutions for the benefit of individual students by state. These appropriations are only subtracted from states with projected at-risk students, with the exception of Colorado, where the costs would have been a negative amount.

[16] In Appendix A, using the example of California, we describe in detail how we calculate the number of Full Time Equivalent (FTE) students educated in proprietary institutions who reside in each state and we describe how we estimate costs.

[17] While not all states are facing capacity constraints, some major states are. See, for example, California, where California State University trustees have raised the possibility of being forced to allow only transfer students into the CSU system, http://www.latimes.com/local/education/la-me-cal-state-trustees-20140910-story.html.

**Table 1. Total Number of Graduates From At-Risk Programs in Proprietary Institutions and Associated Appropriations Needed to Educate Students Enrolled in the At-Risk Programs in Those Institutions, Projected to AY2014-15, Based on AY 2011-2012 IPEDS and ED Numbers***

| Degree | Projected Number of Students From At-Risk Programs in Proprietary Institutions** | Projected Associated Appropriations Needed to Educate Students Enrolled in At-Risk Programs in Proprietary Institutions |
|---|---|---|
| Bachelor's | 231,000 | $ 1,169,694,000 |
| Associate's | 391,000 | $ 3,098,410,000 |
| Total | 622,000 | $ 4,268,104,000 |

* As previously noted, under the proposed GE rules, rates determining at-risk status were not calculated for an award year if fewer than 30 students completed the program during an applicable cohort period or if earnings information for the program were missing (see https://www.federalregister.gov/articles/2014/03/25/2014-06000/program-integrity-gainful-employment#h-31). Therefore, each state may expect a higher actual figure of at-risk students, even those with zero projected graduates in at-risk programs.
** The numbers of students and the dollar figures rounded to 000s.

The focus of this exercise is on students in degree granting programs, leaving aside the large number of students in proprietary institutions seeking certificates. Indeed, we estimate that there are almost as many certificate seeking students in at-risk proprietary programs as there are associate degree students (378,000 vs. 391,000). If certificate seeking students were to enroll in public institutions, the costs to state/local taxpayers would be even higher. ***Furthermore, this amount is for one year only. An assessment of the impact of additional costs to state taxpayers, for example over five or ten years, would increase the estimated costs to somewhere between $20 and $43 billion***.[18]

In effect, by ED's own calculations, over a decade the GE regulations could lead to displacing millions of students who otherwise would have been studying in proprietary institutions. Unfortunately, it appears to be easy for the federal government to disregard the financial consequences to the states resulting from having to educate these students in public

[18] Our estimates are consistent with a recent report by Charles River Associates, commissioned by the Association of Private Sector Colleges and Universities, which estimated that at the high end approximately 7.5 million students could be displaced over the next decade (see Guryan, J., Thompson, M. (2014). *Report on the Proposed Gainful Employment Regulation.* Washington, DC: Charles River Associates). This estimate is somewhat higher than our 6.2 million estimate over the same period. Similarly, our estimates are consistent with those of Mark Kantrowitz, an expert on financial aid, who has estimated that, when weighted by program enrollment, 42 percent of programs at proprietary institutions—representing 1.1 million students in a single year—are at-risk of failing the metrics of the proposed GE rules: "This includes more than one-third of Certificate programs, three-quarters of Associate degree programs, one-fifth of Bachelor's degree programs and one-third of professional degree programs." (Kantrowitz, M. (2014). *U.S. Department of Education Proposes Stricter Gainful Employment Rule.* Retrieved September 10, 2014 from http://www.edvisors.com/ask/student-aid-policy/stricter-gainful-employment/.)

institutions. Buried deep in the massive tome that articulates the proposed GE rules is a paragraph representative of just how dismissive the federal government can be of the consequences to the states of this proposed federal mandate.

In response to the massive dislocation of students, expected to result from the Gainful Employment regulations, the states are told,

> Rather than adding additional buildings or campuses, States may instead opt to expand online education offerings or try innovative practices like awarding credit when students demonstrate they have mastered a competency. Forecasting the extent to which future growth would occur in traditional settings versus online education or some other model is outside the scope of this analysis.[19]

In short, it appears that how states deal with the likely burdensome results precipitated by this federal policy is simply not a federal concern. However, while the federal government might ignore these costs, states cannot.

We estimate the costs states could face if the at-risk programs are regulated out of existence. In Table 2, we show the number of students in at-risk programs at the bachelor's level and the associated state appropriations that would be needed if they sought to continue their education in public institutions. In Table 3, we present parallel information for two-year schools. Note that not every state had programs identified as at-risk by ED, so many states do not appear in these tables.

**Table 2: Number of Bachelor's Students in At-Risk Programs and Estimated Additional State Appropriations Needed to Educate Those Students in Public Institutions, AY2011-12, by State**

| State | Number Bachelor's Students in At-Risk Programs | Additional State Appropriations Needed |
|---|---|---|
| AK | - | $ - |
| AL | 400 | $ 2,830,000 |
| AR | - | $ - |
| AZ | 26,600 | $ 133,637,000 |
| CA | 35,600 | $ 167,266,000 |
| CO* | 9,500 | $ - |
| CT | - | $ - |
| DC | - | $ - |
| DE | - | $ - |
| FL | 34,700 | $ 206,039,000 |
| GA | 5,700 | $ 20,299,000 |

[19] Federal Register/ Vol. 79, No. 57 / Tuesday, March 25, 2014 / Proposed Rules, pp. 16609-10 (http://www.gpo.gov/fdsys/pkg/FR-2014-03-25/pdf/2014-06000.pdf).

| | | | |
|---|---|---|---|
| HI | 3,800 | $ | 32,875,000 |
| IA | - | $ | - |
| ID | - | $ | - |
| IL | 49,500 | $ | 339,987,000 |
| IN | 28,000 | $ | 124,605,000 |
| KS | - | $ | - |
| KY | - | $ | - |
| LA | - | $ | - |
| MA | 2,500 | $ | 13,016,000 |
| MD | - | $ | - |
| ME | - | $ | - |
| MI | - | $ | - |
| MN | 4,800 | $ | 15,746,000 |
| MO | - | $ | - |
| MS | - | $ | - |
| MT | - | $ | - |
| NC | 1,000 | $ | 11,571,000 |
| ND | - | $ | - |
| NE | 300 | $ | 1,647,000 |
| NH | - | $ | - |
| NJ | - | $ | - |
| NM | - | $ | - |
| NV | - | $ | - |
| NY | 5,800 | $ | 32,623,000 |
| OH | - | $ | - |
| OK | - | $ | - |
| OR | 2,500 | $ | 15,094,000 |
| PA | 12,800 | $ | 13,507,000 |
| RI | - | $ | - |
| SC | - | $ | - |
| SD | - | $ | - |
| TN | - | $ | - |
| TX | 1,900 | $ | 7,515,000 |
| UT | 3,300 | $ | 20,102,000 |
| VA | - | $ | - |
| VT | - | $ | - |
| WA | 2,400 | $ | 11,335,000 |
| WI | - | $ | - |
| WV | - | $ | - |
| WY | - | $ | - |
| Total | 231,100** | $ | 1,169,694,000 |

* As noted in footnote 14, the appropriations received by proprietary institutions for the benefit of individual students by state are only subtracted from states with projected at-risk students, with the exception of Colorado, where the costs would have been a negative amount.
**Rounded off to 00's.

As Table 2 shows, we estimate a total of around 231,000 bachelor's degree students were enrolled in at-risk programs, ranging from several hundred in Alabama and Nebraska to the tens of thousands in Arizona, California, Florida, Illinois and Indiana. This distribution requires explanation. *In this section of the study the distribution of students was calculated using IPEDS numbers without accounting for students' actual state of residence.* For example, in IPEDS all University of Phoenix Online students are counted within Arizona, even though many of these students actually reside in other states. Consequently, in the rightmost column, where we present our estimate of what the bill to each of these states might be to educate displaced students, we assume the cost is borne by the state where the students are reported as attending, not where they are resident. Therefore, while Arizona shows an extremely high cost to state taxpayers, a substantial part of that cost will likely be borne by taxpayers in other states. Primarily because of the University of Phoenix, Arizona is an extreme outlier, and the upward bias in the several other states that have large national online programs will be far smaller. Nonetheless, for many states the additional appropriations can be extremely high. And ***the nationwide total, no matter how it would be distributed when student state residency is taken into account, is almost $1.2 billion for one year.***

In Table 3, we report our findings for associate's degrees state-by-state. We estimate that there are nearly 391,000 students enrolled in at-risk associate's level programs, with the largest concentrations attributed, in some cases for the reasons just noted, to Arizona, Illinois, Indiana and Pennsylvania. We estimate additional state and local appropriations to be the highest in Indiana (over $1 billion annually) followed by Arizona, Illinois, and California (with over $100 million in potential appropriations needed). ***Nationwide, closing these two-year programs might present the states with a bill of over $3 billion per year.***

**Table 3: Number of Associate's Students in At-Risk Programs and Estimated Additional State Appropriations Needed to Educate Those Students in Public Community Colleges, AY2011-12, by State**

| State | Number Associate's Students in At-Risk Programs | Additional State Appropriations Needed |
|---|---|---|
| AK | - | $ - |
| AL | 3,200 | $ 15,359,000 |
| AR | - | $ - |
| AZ | 100,500 | $ 633,125,000 |

| | | | |
|---|---|---|---|
| CA | 20,500 | $ | 126,137,000 |
| CO | 12,900 | $ | 8,744,000 |
| CT | 900 | $ | 5,644,000 |
| DC | - | $ | - |
| DE | - | $ | - |
| FL | 26,400 | $ | 92,747,000 |
| GA | 4,000 | $ | 16,881,000 |
| HI | - | $ | - |
| IA | 8,300 | $ | 38,517,000 |
| ID | - | $ | - |
| IL | 35,000 | $ | 206,676,000 |
| IN | 79,000 | $ | 1,490,601,000 |
| KS | 500 | $ | 3,336,000 |
| KY | 3,000 | $ | 7,527,000 |
| LA | - | $ | - |
| MA | 1,400 | $ | 6,273,000 |
| MD | 200 | $ | 1,319,000 |
| ME | - | $ | - |
| MI | - | $ | - |
| MN | 7,600 | $ | 29,779,000 |
| MO | 6,200 | $ | 18,636,000 |
| MS | - | $ | - |
| MT | - | $ | - |
| NC | 1,800 | $ | 12,831,000 |
| ND | - | $ | - |
| NE | 600 | $ | 4,192,000 |
| NH | - | $ | - |
| NJ | 300 | $ | 792,000 |
| NM | - | $ | - |
| NV | 200 | $ | 1,089,000 |
| NY | 13,100 | $ | 64,804,000 |
| OH | 8,000 | $ | 37,374,000 |
| OK | 300 | $ | 1,505,000 |
| OR | 13,200 | $ | 87,616,000 |
| PA | 22,200 | $ | 86,569,000 |
| RI | 1,800 | $ | 8,205,000 |
| SC | - | $ | - |
| SD | 300 | $ | 609,000 |
| TN | 1,800 | $ | 4,325,000 |
| TX | 8,300 | $ | 50,363,000 |
| UT | 2,900 | $ | 10,115,000 |

| | | | |
|---|---|---|---|
| VA | 3,900 | $ | 11,114,000 |
| VT | - | $ | - |
| WA | 1,000 | $ | 4,363,000 |
| WI | 600 | $ | 7,914,000 |
| WV | 1,000 | $ | 3,329,000 |
| WY | - | $ | - |
| Total | 390,900 | $ | 3,098,410,000 |

The closing of these programs is expected to take place given the current proposed Gainful Employment regulations. But, as shown by the forced collapse of the admittedly problematic Corinthian Colleges, and the negative statements coming out of the Administration and other critics of proprietary schools,[20] the goal may be not just to close these programs but to constrict the entire proprietary sector.

In the next section we estimate the costs to states if the entire sector, not just thousands of programs, were subject to regulations that resulted in its collapse. While this approach appears to suggest a "what if" scenario*, the calculations we present below represent, in fact, how much proprietary higher education institutions save state taxpayers by educating the millions of students who would otherwise have to be educated primarily in publicly subsidized, broad-access four- and two-year schools.*

## Section 2: Measuring the Financial Impact on States of the Elimination of Proprietary Higher Education or How Much do Proprietary Colleges and Universities Save State Taxpayers?

Below we describe how we estimate the number of students enrolled in two- and four-year proprietary institutions in each state and the District of Columbia.[21] We then describe how we combine those enrollment counts with state appropriations to estimate the savings to the states provided by the proprietary sector, the flip side of the financial impact on the states of the potential closure of the proprietary sector. We present our state-by-state estimates of both

[20] See, for example, http://thehill.com/regulation/pending-regs/207807-obama-weighs-crackdown-on-for-profit-college-industry and http://www.businessweek.com/articles/2014-09-25/corinthian-colleges-for-profit-and-too-big-to-fail#p1 (where Trace Urdan, an analyst of the sector for Wells Fargo Securities, observes that "potential investors and operators worry that other for-profit schools may be shuttered. 'There is a contingent that says there is a secret list in the basement of the Department of Education, and they will be knocking these guys down one after another'.")

[21] In the previous section, we estimated the number of students enrolled in at-risk programs. In this section, we broaden the exercise to include all proprietary schools.

enrollments and costs in Table 4 for bachelor's degree students and Table 5 for students in two-year schools.

**How Many Students Attend Proprietary Institutions in Each State?**

To calculate the number of FTE students enrolled in proprietary institutions in each of the states and D.C., we begin with IPEDS counts of full- and part-time students in two- and four-year proprietary institutions in each state and D.C. during each of the five academic years (from 2007–08 to 2011–12). We used a five-year period to avoid the possibility that a one-year study might be unrepresentative.

We modified one aspect of the IPEDS counts: For proprietary institutions that reported ***all*** of their students to IPEDS as full-time students, we classified ***all*** enrollments as part-time. This is a conservative approach, because some of these students are in fact full-time. However, we believe that treating all of these students as part-time more accurately reflects the typical attendance pattern in proprietary institutions wherein most students are unlikely to remain in full-time status throughout their college careers.[22] We converted this new count of part-time students in four-year proprietary institutions into FTE students using the IPEDS conversion factor of 0.392857[23] and the new count of part-time students in two-year proprietary institutions using the IPEDS conversion factor of 0.397058. To reach our total count of FTE students in two-year and four-year proprietary institutions, we added these results to the actual fulltime counts provided by IPEDS and then subtracted any full-time students that were reclassified as part-time.[24]

State level enrollment data from IPEDS are limited in that many proprietary institutions operate large online programs and students enrolled in these are sometimes counted as enrolled in a central location regardless of where they actually reside. For example, all online students at Ashford University, no matter where they reside, are counted as enrolled in Iowa. To more accurately count the FTE students of the proprietary institutions in each state, we asked ten[25] proprietary education systems with large online student enrollments to provide us with the number of online students they enrolled in each of the five academic years *who had addresses in one of the 50 states or D.C., but under IPEDS had been reported as enrolled at a central*

[22] See National Student Clearinghouse Research Center–Signature Report #6, Completing College: A National View of Student Attainment Rates-Fall 2007 Cohort. Figure B. Six Year Outcomes by Starting Institution Type. Retrieved from http://nscresearchcenter.org/wp-content/uploads/NSC_Signature_Report_6.pdf (note that students at two-year proprietary institutions are more likely to be full-time students than their public college counterparts).
[23] National Center for Education Statistics. (n.d.). Glossary (calculation of FTE students [using fall student headcounts]). Retrieved from http://nces.ed.gov/ipeds/glossary/index.asp?id=854.
[24] Using California as an example, Appendix A describes how we calculated the number of FTE students educated in proprietary institutions who resided in each state and how we estimated the costs.
[25] In our previous study, *Do Proprietary Higher Education Institutions Generate Savings for States? The Case of California, New York, Ohio and Texas*, we included data from only nine proprietary higher education systems.

*location outside the state where they resided.* Table B.2 identifies the aggregate online annual FTE student count for each state and D.C. that was reported by the cooperating institutions.[26]

Using the online numbers we received from the proprietary systems, along with the "on-ground" (i.e., physical campus-based) and online numbers from IPEDS, we estimated the number of FTE students in proprietary institutions at the associate's and bachelor's degree levels in each of the 50 states and D.C.[27] These estimates are found in Tables 4 and 5.

**Enrollments in Four-Year Proprietary Institutions**

Among the four-year proprietary institutions (both on-ground and online), we estimate approximately 3 million FTE bachelor-seeking students were enrolled across the 50 states and D.C. during the five academic years of this study. Of these, just over half were enrolled in eight states: California, Florida, Georgia, Illinois, New York, Pennsylvania, Texas, and Virginia. Further, approximately 25 percent were studying in the thirteen states whose attorneys general have been among the most actively seeking to restrict or possibly shutter the proprietary colleges in their states.[28]

**Enrollments in Two-Year Proprietary Institutions**

Among the two-year proprietary institutions (both on-ground and online), approximately 1.7 million FTE students were enrolled in the 50 states and D.C. during the five academic years. Six of these states (California, Florida, New York, Ohio, Pennsylvania, and Texas) accounted for nearly 51 percent of these enrollments. During the same time nearly 31 percent were enrolled in the thirteen states whose attorneys general, as previously noted, have been particularly skeptical about the proprietary colleges in their states.

**Estimating Additional State Appropriations Needed to Serve Students Currently in Proprietary Institutions**

We estimate that there are nearly 3 million FTE students enrolled in four-year campuses across the nation and an additional 1.7 million FTE students enrolled in two-year proprietary institutions. Let us assume that, as with Corinthian Colleges, the proprietary schools were suddenly shut down and these 4.7 million students needed to find alternate institutions. We assume that almost all would turn to public institutions—and these would most likely be broad-access institutions rather than the more selective state flagships.

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[26] This estimate is conservative because it includes only the FTE students of these ten systems and not any other proprietary schools that also report their online students as enrolled at a central location outside the reporting states.

[27] We recognize that many awards at two-year proprietary institutions are certificates and not associate's degrees and that even at four-year institutions, a significant percentage of awards are certificates. However, because of limitations on data regarding certificates, we focused solely on associate's and bachelor's degrees. This necessarily implies that the cost of the student shift analyzed in this study is understated.

[28] The states are Arkansas, Illinois, Iowa, Kentucky, Maryland, Massachusetts, Minnesota, Nevada, New York, North Carolina, Oregon, Pennsylvania, and Tennessee; see http://ag.ky.gov/pdf_news/financial-aid-letter.pdf.

For each state, we calculate the average per FTE state and local appropriation made to the broad-access institutions in our sample.[29] We then multiply that average appropriation by the number of FTE students currently enrolled in four-year proprietary institutions who would be displaced by the closure of their schools. We estimate that over the five-year period we study, states would have needed over $18.8 billion in additional appropriations to educate those students. This represents a 42 percent increase in additional appropriations needed for those broad-access institutions, the equivalent of a 7 percent increase in the appropriations made for all public four-year colleges.

We assume that the 1.7 million FTE students enrolled in proprietary two-year schools would seek admission to community colleges. Using average state/local appropriations for community colleges, we estimate that had these students been enrolled in these public two-year schools, the additional cost would have been over $9 billion—an 8 percent increase over the appropriations made for all public community colleges.

***In short, in the five years we covered in this study, proprietary institutions relieved states of an additional tax burden of almost $28 billion—a burden state taxpayers would have had to bear had their students enrolled in public institutions rather than proprietary ones.***

**How Were These Numbers Derived?**

The first step in calculating the additional state appropriations needed if students enrolled in proprietary institutions were instead educated in public ones was to estimate how much states currently appropriate per FTE student. Our estimation of appropriations is based on a set of simple calculations, which is described in more detail in Appendix A. First, for four-year institutions in each state, we identified a set of broad-access, minimally competitive public institutions. Using IPEDS, we then calculated the non-capital appropriations[30] per FTE student for each of these schools in each of the five academic years.[31] For two-year public institutions, we calculated the average non-capital appropriation per FTE student across all community colleges in each state for each of the same five years.

We recognize that public institutions in our sample, and in general, would likely not have the capacity to handle an influx of students the size of that contemplated in this study.[32] Notwithstanding, ***we excluded capital appropriations, conservatively assuming that states would have accommodated the increased enrollments without building additional campuses or increasing the physical capacity of current locations. And our estimates do not include costs to taxpayers for state or federal financial aid, as that aid would follow eligible students wherever they enrolled in a Title IV certified institution.***

[29] These institutions are listed in Table B.1.
[30] We calculated the appropriations using the state and local appropriations for both two and four-year institutions in every state, taking into account that some states reported no local appropriations.
[31] See Table B.1 for annual appropriations per FTE student for each institution in our sample.
[32] See, for example, the difficulty presented by the closing of Corinthian Colleges: http://www.businessweek.com/articles/2014-09-25/corinthian-colleges-for-profit-and-too-big-to-fail#p1.

For each state, we multiplied the number of FTE students by the average per student appropriation for the set of schools in our sample for each of the five academic years. Based on changes in the Consumer Price Index (CPI), we converted the numbers for each state into constant 2013 dollars and then added them together to estimate the total additional appropriations needed to educate the students resident in each state who were enrolled in proprietary institutions during the five academic years.

We also identified any state appropriations already received by proprietary institutions for the benefit of individual students during each of the five academic years, by state and level of institution, and converted them into 2013 dollars.[33] We then subtracted these figures from the total additional appropriations required to educate these students. We did this because we assumed that students who received appropriations at the proprietary institutions would likewise have received them at public institutions. Consequently, the public institutions would not need to provide those additional funds.[34] The results are presented in Table 4 for four-year institutions and Table 5 for two-year ones.

**Table 4. Enrollment of FTE Students in Proprietary Four-Year Institutions, Additional Appropriations Needed to Educate Students Enrolled in Proprietary Institutions, State Appropriations for Selected Institutions, Percentage Increase In State Appropriations for Selected Institutions to Educate Displaced Students, State Appropriations for All Public Institutions, Percentage Increase In Total State Appropriations to Educate Displaced Students, Academic Years 2007-08 - 2011-12, By State**

| State | Enrollment of FTE Students in Proprietary Institutions | Additional Appropriations Needed | State Appropriations for Selected Institutions | Percentage Increase In State Appropriations for Selected Institutions | State Appropriations for All Public Institutions | Percentage Increase in Total State Appropriations |
|---|---|---|---|---|---|---|
| AK | 5,717 | $ 67,323,800 | $ 791,753,177 | 9% | $ 1,631,900,229 | 4% |
| AL | 94,793 | $ 769,153,900 | $ 1,041,085,869 | 74% | $ 5,956,056,987 | 13% |
| AR | 11,774 | $ 76,016,700 | $ 633,935,198 | 12% | $ 3,098,069,276 | 2% |
| AZ | 163,458 | $ 1,136,174,500 | $ 2,785,269,474 | 41% | $ 4,732,890,698 | 24% |
| CA | 386,199 | $ 2,497,282,400 | $ 2,367,476,425 | 105% | $ 5,931,964,047 | 10% |
| CO* | 69,889 | $ 0 | $ 0 | 0% | $ 406,097,086 | -1% |
| CT | 18,741 | $ 138,791,600 | $ 972,360,359 | 14% | $ 3,820,254,603 | 4% |
| DC** | 51,696 | $ 976,036,300 | $ 341,921,180 | 285% | $ 358,460,795 | 272% |
| DE | 2,761 | $ 28,536,800 | $ 186,664,322 | 15% | $ 186,664,322 | 15% |
| FL | 296,550 | $ 2,123,989,500 | $ 3,159,547,929 | 67% | $ 6,645,290,871 | 13% |

[33] For details on the type of aid that is included here under state and local grants see the reporting form used for Finance Collection at private for-profit schools at https://surveys.nces.ed.gov/IPEDS/Downloads/Forms/ package_7_19.pdf. For private for-profit schools, the definition in IPEDS is this: Grant monies provided by the state such as Leveraging Educational Assistance Partnerships (LEAP) (formerly SSIG's); merit scholarships provided by the state; and tuition and fee waivers for which the institution was reimbursed by a state agency. Local government grants include scholarships or gift-aid awarded directly to the student. See https://nces.ed.gov/ipeds/glossary/?charindex=S.

[34] Table B.3 presents the amounts that we subtracted by state and type of institution.

| | | | | | | |
|---|---|---|---|---|---|---|
| GA | 145,439 | $ 709,595,900 | $ 473,281,292 | 150% | $ 8,681,564,938 | 8% |
| HI | 7,314 | $ 69,595,500 | $ 171,055,912 | 41% | $ 1,457,920,219 | 5% |
| IA | 32,784 | $ 265,593,100 | $ 1,834,512,553 | 14% | $ 3,275,781,577 | 8% |
| ID | 8,970 | $ 55,933,800 | $ 950,191,026 | 6% | $ 1,583,148,567 | 4% |
| IL | 131,058 | $ 872,194,200 | $ 823,248,625 | 106% | $ 7,108,682,540 | 12% |
| IN | 63,704 | $ 317,713,600 | $ 378,722,368 | 84% | $ 6,676,553,478 | 5% |
| KS | 10,212 | $ 66,780,400 | $ 942,465,678 | 7% | $ 3,398,186,473 | 2% |
| KY | 59,359 | $ 285,579,300 | $ 840,500,063 | 34% | $ 4,315,881,172 | 7% |
| LA | 21,659 | $ 105,473,000 | $ 462,185,710 | 23% | $ 5,305,245,317 | 2% |
| MA | 23,234 | $ 132,615,300 | $ 770,441,638 | 17% | $ 4,098,153,264 | 3% |
| MD | 31,542 | $ 266,944,500 | $ 536,360,597 | 50% | $ 5,625,617,975 | 5% |
| ME | 6,478 | $ 36,312,200 | $ 58,037,149 | 63% | $ 1,003,785,391 | 4% |
| MI | 49,322 | $ 201,594,500 | $ 1,012,272,091 | 20% | $ 7,798,801,211 | 3% |
| MN | 87,290 | $ 383,940,300 | $ 600,977,277 | 64% | $ 4,796,838,883 | 8% |
| MO | 80,690 | $ 447,050,500 | $ 521,423,295 | 86% | $ 4,029,638,151 | 11% |
| MS | 12,075 | $ 109,179,400 | $ 1,325,471,488 | 8% | $ 3,581,707,047 | 3% |
| MT | 2,739 | $ 16,665,600 | $ 173,593,801 | 10% | $ 868,933,838 | 2% |
| NC | 59,507 | $ 706,969,300 | $ 2,297,396,473 | 31% | $12,342,593,0241 | 6% |
| ND | 5,788 | $ 41,629,200 | $ 125,606,919 | 33% | $ 1,237,950,143 | 3% |
| NE | 11,942 | $ 77,237,000 | $ 236,081,240 | 33% | $ 2,725,082,029 | 3% |
| NH | 19,654 | $ 47,742,400 | $ 127,571,124 | 37% | $ 468,811,052 | 10% |
| NJ | 38,788 | $ 229,734,900 | $ 1,069,823,717 | 21% | $ 7,407,007,678 | 3% |
| NM | 22,411 | $ 247,609,400 | $ 1,148,522,737 | 22% | $ 3,103,897,925 | 8% |
| NV | 27,464 | $ 263,147,900 | $ 1,805,962,305 | 15% | $ 2,478,646,371 | 11% |
| NY | 138,114 | $ 988,084,300 | $ 1,615,437,832 | 61% | $ 9,016,996,373 | 5% |
| OH | 97,202 | $ 447,734,400 | $ 1,536,898,807 | 29% | $ 8,222,526,133 | 5% |
| OK | 19,779 | $ 122,910,200 | $ 317,914,043 | 39% | $ 4,133,378,505 | 3% |
| OR | 24,354 | $ 189,514,700 | $ 991,877,294 | 19% | $ 2,052,455,452 | 9% |
| PA | 94,412 | $ 117,742,500 | $ 76,883,495 | 153% | $ 2,434,424,944 | 5% |
| RI | 1,038 | $ 5,052,600 | $ 541,782,786 | 1% | $ 541,782,786 | 1% |
| SC | 50,050 | $ 130,166,800 | $ 278,650,185 | 47% | $ 2,600,939,535 | 5% |
| SD | 12,531 | $ 38,715,900 | $ 102,984,407 | 38% | $ 807,789,361 | 5% |
| TN | 55,592 | $ 298,674,400 | $ 1,381,895,822 | 22% | $ 4,924,429,985 | 6% |
| TX | 157,696 | $ 825,190,600 | $ 820,095,955 | 101% | $ 2,286,162,983 | 4% |
| UT | 27,678 | $ 183,645,500 | $ 1,247,963,396 | 15% | $ 3,206,808,866 | 6% |
| VA | 152,739 | $ 1,136,270,300 | $ 1,760,774,233 | 65% | $ 6,344,052,645 | 18% |
| VT* | 2,222 | $ (1,859,100) | $ 78,966,712 | -2% | $ 352,399,134 | -1% |
| WA | 44,357 | $ 322,019,600 | $ 1,633,325,197 | 20% | $ 4,703,412,072 | 7% |
| WI | 47,633 | $ 215,844,300 | $ 485,484,064 | 44% | $ 5,124,257,240 | 4% |
| WV | 5,246 | $ 21,134,800 | $ 189,808,032 | 11% | $ 1,931,349,591 | 1% |
| WY | 2,087 | $ 42,603,800 | $ 1,094,076,162 | 4% | $ 1,094,076,162 | 4% |
| **TOTAL** | **2,993,731** | **$ 18,850,559,100** | **$ 45,120,537,430** | **42%** | **$255,915,318,947** | **7%** |

* Colorado and Vermont did not receive public appropriations for the sample institutions, therefore the additional appropriations needed are a negative number (zero minus the appropriations received by the proprietary institutions). Consequently the resulting percentage is negative.

** D.C. had a small initial public appropriation and many students in proprietary four-year institutions, so the resulting percentage increase is exceptionally high.

**Table 5. Enrollment of FTE Students in Proprietary Two-Year Institutions, Additional Appropriations Needed to Educate Students Enrolled in Proprietary Institutions, State Appropriations for Public Two-Year institutions, Percentage Increase In State Appropriations for Public Two-Year Institutions to Educate Displaced Students, Academic Years 2007-08 - 2011-12, By State**

| State | Enrollment of FTE Students in Proprietary Institutions | Additional Appropriations Needed | State Appropriations for All Public Institutions | Percentage Increase in Total State Appropriations * |
|---|---|---|---|---|
| AK | 3,189 | $ 83,124,700 | $ 54,222,776 | 153% |
| AL | 22,759 | $ 115,022,900 | $ | 7% |
| AR | 7,557 | $ 40,567,500 | $ 1,032,094,255 | 4% |
| AZ | 41,925 | $ 300,166,400 | $ 4,107,586,371 | 7% |
| CA | 231,608 | $ 1,568,432,200 | $ 29,534,281,161 | 5% |
| CO | 41,685 | $ 30,677,300 | $ 195,564,698 | 16% |
| CT | 7,192 | $ 52,995,800 | $ 1,165,903,356 | 5% |
| DC* | 463 | $ - | $ - | 0% |
| DE | 2,367 | $ 16,121,200 | $ | 5% |
| FL | 125,933 | $ 487,203,700 | $ 864,044,370 | 56% |
| GA | 61,165 | $ 249,367,800 | $ 1,918,417,636 | 13% |
| HI | 9,022 | $ 55,138,000 | $ 502,957,609 | 11% |
| IA | 6,569 | $ 31,102,200 | $ 1,551,190,258 | 2% |
| ID | 7,283 | $ 43,903,100 | $ 347,965,522 | 13% |
| IL | 38,749 | $ 208,522,600 | $ 6,326,474,897 | 3% |
| IN | 35,018 | $ 187,628,100 | $ 300,117,570 | 63% |
| KS | 10,097 | $ 73,551,900 | $ 1,853,135,745 | 4% |
| KY | 26,627 | $ 69,982,400 | $ 819,098,146 | 9% |
| LA | 25,644 | $ 110,936,900 | $ 922,435,730 | 12% |
| MA | 12,278 | $ 56,832,700 | $ 1,476,639,274 | 4% |
| MD | 26,887 | $ 207,155,600 | $ 3,084,758,330 | 7% |
| ME | 4,916 | $ 24,080,600 | $ 257,444,058 | 9% |
| MI | 29,100 | $ 180,281,500 | $ 4,657,561,702 | 4% |
| MN | 12,144 | $ 54,517,400 | $ 1,937,250,674 | 3% |
| MO | 36,919 | $ 109,615,800 | $ 882,748,297 | 12% |
| MS | 25,696 | $ 115,986,500 | $ 1,480,021,664 | 8% |
| MT | 2,608 | $ 12,255,200 | $ 148,273,082 | 8% |
| NC | 55,536 | $ 420,763,400 | $ 5,660,444,400 | 7% |
| ND | 960 | $ 6,284,300 | $ 136,902,369 | 5% |
| NE | 5,313 | $ 40,186,200 | $ 1,076,118,542 | 4% |
| NH | 2,221 | $ 9,290,300 | $ 174,320,503 | 5% |
| NJ | 18,429 | $ 58,026,900 | $ 1,897,759,720 | 3% |

| | | | | | |
|---|---|---|---|---|---|
| NM | 6,406 | $ | 46,624,300 | $ | 1,644,847,336 | 3% |
| NV | 17,304 | $ | 95,489,300 | $ | 178,917,170 | 53% |
| NY | 113,305 | $ | 609,687,600 | $ | 6,333,428,959 | 10% |
| OH | 108,225 | $ | 505,833,000 | $ | 2,976,555,784 | 17% |
| OK | 17,491 | $ | 89,054,000 | $ | 1,068,086,491 | 8% |
| OR | 19,064 | $ | 131,341,400 | $ | 2,271,605,640 | 6% |
| PA | 141,459 | $ | 597,717,000 | $ | 1,945,973,404 | 31% |
| RI | 1,170 | $ | 5,395,700 | $ | 237,697,880 | 2% |
| SC | 25,114 | $ | 78,380,400 | $ | 1,017,421,780 | 8% |
| SD | 1,547 | $ | 3,933,900 | $ | 67,121,391 | 6% |
| TN | 47,932 | $ | 180,774,900 | $ | 1,165,549,244 | 16% |
| TX | 143,757 | $ | 938,196,200 | $ | 12,276,374,752 | 8% |
| UT | 8,239 | $ | 35,868,800 | $ | 421,308,198 | 9% |
| VA | 49,686 | $ | 169,472,200 | $ | 1,873,789,775 | 9% |
| VT | 1,170 | $ | 2,088,500 | $ | 26,314,554 | 8% |
| WA | 24,818 | $ | 128,564,000 | $ | 2,669,263,844 | 5% |
| WI | 20,852 | $ | 267,730,700 | $ | 4,131,552,911 | 6% |
| WV | 12,845 | $ | 43,791,900 | $ | 248,322,923 | 18% |
| WY | 4,674 | $ | 53,777,300 | $ | 895,270,691 | 6% |
| **TOTAL** | **1,702,919** | **$** | **9,003,442,200** | **$** | **117,832,743,685** | **8%** |

* D.C. has no two-year colleges, so there is no percentage noted.

To illustrate the logic of these calculations, consider California. If all 386,200 FTE students resident in the state enrolled in proprietary four-year institutions presented themselves on the doorstep of the state's broad-access institutions, we estimate that the state would have had to appropriate an additional $2.5 billion over the five academic years, or approximately $500 million per year, to educate them. This is based on multiplying the specific annual appropriations per FTE student by the number of FTE students enrolled in proprietary institutions for each of the five academic years and then summing these annual estimates.[35] By comparison, New York would have had to appropriate an additional $988 million over the five academic years (or approximately $198 million per year), Texas more than an additional $825 million, and Ohio almost an additional $448 million.

If students who were enrolled in proprietary two-year institutions attended public two-year institutions, the additional state and local appropriations needed to educate them would also be high. For example, California would have had to appropriate an additional $1.57 billion over the five academic years; that is, $314 million per year. Meanwhile, during the same five-year period New York would have had to appropriate an additional $609 million ($122 million more per year), Ohio $506 million ($101 million annually), and Texas $938 million (nearly an additional $188 million more per year).

[35] Appendix B presents additional details about the calculations made for each state, using California as a specific example.

These calculations are based on three key assumptions: That *all* students in the proprietary institutions:

1. Would have chosen to enroll in degree programs at public institutions.[36]

2. Would have been able to enroll in broad-access, minimally competitive four-year or two-year public institutions that offered programs identical or similar to those in the proprietary institutions and in a format matching the needs of mostly adult learners (e.g., evening classes and online courses).

3. Would have received the same average state or local appropriations per FTE student as allocated to the students enrolled in the broad-access four-year institutions and the two-year schools.

Of course, both students and states could choose different options. For instance, a state could turn away their portion of these millions of students due to lack of funds, but this would deviate from the nation's education goals and take away the many economic and social benefits that come with a citizenry that has advanced training and postsecondary education. A state could also choose to enroll these new students without increasing appropriations or increasing them only marginally—but that would lead to other consequences, such as lowering student success rates,[37] offering fewer services or course offerings, and likely increases in tuition for all.[38]

## Conclusions

First, leaving aside at-risk *certificate* programs, on the basis of the data provided in March by ED when it presented its proposed Gainful Employment regulations, we estimate that the total number of graduates from at-risk programs in proprietary institutions is approximately 231,000 bachelor's and 391,000 associate's degree holders. Based on these numbers, we estimate that the associated appropriations needed to educate in public institutions the students enrolled in the at-risk programs will be almost $1.17 billion for those in bachelor's and over $3 billion for those in associate's programs. ***That is, if the Gainful Employment regulations are approved as currently drafted, the states and D.C. will face a financial burden of over $4.2 billion to educate the 622,000 degree-seeking students displaced by federal regulations. This amount is for one year only. An assessment of the impact of additional costs to state taxpayers, for***

[36] Although some private non-profit institutions serve similar students as those served by the proprietary colleges and universities, because it is impossible to estimate the number of students (and the cost to educate them) in such institutions, in this study we assume no students would be enrolling in private non-profit schools.

[37] Klor de Alva, J., & Schneider, M. (2013*). What's the value of an associate's degree. The return on investment for graduates and taxpayers*. San Francisco: Nexus Research and Policy Center; Washington, DC: American Institutes for Research. Retrieved from http://nexusresearch.org/reports/valueof2yrdegree/Value_of_Associate_Degree.pdf.

[38] Chakrabarti, R., Mabutas, M., & Zafar, B. (2012). *Soaring tuitions: Are public funding cuts to blame?* New York: Federal Reserve Bank of New York. Retrieved from http://libertystreeteconomics.newyorkfed.org/2012/09/soaring-tuitions-are-public-funding-cuts-to-blame.html?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+LibertyStreetEconomics+%28Liberty+Street+Economics%29.

***example over five or ten years, would increase the estimated costs to the states to somewhere between $20 and $43 billion.***

Second, as Secretary Duncan once stated, proprietary institutions "are critical to helping America meet the President's 2020 goal . . . [and] are helping us meet the explosive demand for skills that public institutions cannot always meet." Indeed, as Tables 4 and 5 make clear, replacing the educational services that the proprietary sector is providing to new traditional, low-income, and historically underserved minority students would be unrealistically expensive to most states. During the period studied in this report the proprietary sector enrolled nearly 4.7 million FTE students in the 50 states plus D.C. We calculate that this represents a saving of $28 billion to state and D.C. taxpayers, which, in the sector's absence, would become a $28 billion liability to the same taxpayers. In effect, any significant constriction of the proprietary sector represents substantial fiscal costs to the states.

None of this is meant as an argument for loosening regulations—on Gainful Employment or other matters—that are reasonably aimed at improving the performance of proprietary, independent, and public institutions.

However, our data should caution state legislators, public officials, policy makers, college administrators, and taxpayers who believe that it is in the best financial interest of taxpayers to shift responsibility for the education of hundreds of thousands of students from the proprietary to the public sector—a sector that is too frequently ill equipped and undercapitalized to handle such an influx.

Finally, this study serves as a reminder to policy makers that when comparing costs between public and proprietary institutions, it is important to consider not just the cost to students and their families represented by the tuition charged by each institution, but also the per-student public subsidy that supports the real cost of education.

## Appendix A

### How We Calculated Our Measures

To illustrate our calculations, we present the case of California using data from AY2011–12. We describe how we estimated (a) the number of students enrolled in proprietary institutions and (b) the appropriations using a sample of broad-access, four-year institutions and all public, two-year colleges in the state. We used this same process to generate estimates for each of the other states and D.C.[39]

### Sample Institutions

For four-year institutions in California, we began with a set of five public institutions that were categorized as "Less Competitive" in *Barron's Profiles of American Colleges 2013*.[40] The five broad-access, four-year public institutions in our sample are all part of the California State University (CSU) system: CSU–Bakersfield, Dominguez Hills, Fresno, Monterey Bay, and Northridge.[41] In the other states, we focused on four-year institutions categorized by Barron's as "Noncompetitive" and, where necessary because less selective institutions were not available, "Competitive." Table B.4 offers definitions of Barron's levels of competitiveness.

Among two-year institutions, we included all degree granting community colleges in California.

### Estimating the Full-Time Equivalent Number of Students Enrolled in Proprietary Institutions

We calculated the FTE student count in AY2011–12 for both two- and four-year proprietary institutions with campuses physically located in California using figures reported to IPEDS, with one adjustment. Some proprietary institutions report all their students to IPEDS as full-time students. For those institutions, we classified all enrollments as part-time. This conversion embodies a conservative approach because some of these students are in fact full-time, but we believe that treating them as part-time better reflects common attendance patterns. The reason for this is that the definition of full-time in IPEDS classifies students based on their first term, regardless of their attendance status throughout their enrollment in that institution. However, most students at proprietary institutions do not attend full-time during their entire academic career. Therefore, while proprietary institutions originally reported 82,823 full-time and 26,126 part-time students, we reclassified 35,426 students from full-time status to part-time status (these are students who were classified as full-time in IPEDS but the institutions reported only full-time students and no part-time students). This results in 61,552 students

[39] The spreadsheet with all calculations is available by request from the authors.
[40] Barron's Educational Series, Inc. (2013). *Barron's profiles of American colleges 2013*. Hauppauge, NY, p. 259.
[41] Table B.1 presents the list of the broad-access, four-year institutions that we used to generate average appropriations in each state.

labeled as part-time (leaving 47,397 as full-time). To convert these 61,552 part-time students into FTE students, we used the IPEDS conversion factor of 0.392857[42] (appropriate for four-year institutions) and added the results (24,181) to the adjusted full-time count (47,397), producing an estimated 71,578 FTE students in four-year proprietary institutions in AY2011–12.

Similarly, according to IPEDS, 83,767 students were enrolled in two-year proprietary institutions in California (74,876 reported as full-time and 8,891 as part-time). Again, following our full-time to part-time adjustment approach for schools that report all of their students as full-time, we recalculated the FTE student count based on 23,495 full-time and 60,272 part-time students. To convert these 60,272 part-time students to FTE students, we used the IPEDS two-year institution conversion factor of 0.397058 and added the results (23,931) to the adjusted full-time count (23,495), producing an estimated 47,426 FTE students in two-year proprietary institutions in AY2011–12.

**Table A.1: Calculating FTE Students in Proprietary Institutions in California, AY2011–12**

| Type of Institution | Calculated FTE for "OnGround" Resident Students | Calculated FTE for Online Resident Students | Total Calculated FTE Students |
|---|---|---|---|
| Four-Year | 71,578 | 19,185 | 90,763 |
| Two-Year | 47,426 | 9,707 | 57,133 |

These IPEDS counts are only for students enrolled in campuses physically located in California. As previously noted, many of the large proprietary systems report online students as enrolled in a central location. For example, a student living in California but enrolled online in Ashford University will be included by IPEDS in Iowa's count. To resolve this problem, we asked ten of the largest proprietary systems in the nation to provide us with the FTE count of online students resident in each of the 50 states and D.C.

We then added the IPEDS FTE student numbers and the FTE student counts provided by the proprietary systems to get a more accurate estimate of the number of California residents enrolled in proprietary institutions. Table A.1 illustrates the numbers from California. We repeated this process in the other states and D.C. during each of the five academic years.

**State Appropriations**

Here our goal was to estimate the additional state dollars that California would have had to appropriate to educate resident students enrolled in proprietary institutions in the state had such students attended broad-access public institutions in the state. Our approach is somewhat different between two- and four-year institutions, reflecting the far larger role that local appropriations play in financing two-year public institutions.

[42] National Center for Education Statistics. (n.d.). Glossary (calculation of FTE students (using fall student headcounts)). Retrieved from http://nces.ed.gov/ipeds/glossary/index.asp?id=854.

• **Four-Year Public Institutions**: Using data from IPEDS, we calculated total state[43] appropriations for the five institutions in California. In AY2011–12, appropriations to these institutions totaled more than $376 million. The total appropriations were divided by the IPEDS fall 2011 FTE student enrollment for these institutions (74,318). On average, California appropriated approximately $5,100 per FTE student at broad-access institutions in AY2011–12. Adjusting by the CPI yielded an estimated appropriation of $5,300 per FTE student in 2013 dollars.[44] Recall that capital appropriations are not included.

• **Two-Year Public Institutions**: Using data from IPEDS, we added all state and local appropriations for all public community colleges in California for AY2011–12 (nearly $5.2 billion) and divided the total by the FTE student count in the 114 institutions from fall 2011 (approximately 822,737). This produced an estimate of $6,300 in appropriations per FTE student. Adjusting by the CPI yielded an estimated appropriation of $6,600 per FTE student in 2013 dollars.

**Additional State Appropriations Needed**

We now had an estimate of the FTE student enrollment in proprietary institutions in California and an estimate of what California appropriates per FTE student at two- and four-year institutions. Next, we estimated how much more the state would have had to appropriate to educate state residents who attended proprietary institutions if they had enrolled instead in public institutions.

We recognize that some of these students might not have enrolled in a public institution and others may have been denied admission due to overcrowding or limited state resources. Adjusting for those who would not have enrolled in public institutions is impossible. Therefore, for the purposes of this analysis, we estimated the cost to the state as if *all* proprietary students would have chosen to attend and would have been admitted to the broad-access public institutions in the state.

To estimate the additional appropriations, we multiplied the public appropriations per FTE student in AY2011–12 in 2013 dollars by the estimated FTE students enrolled in proprietary colleges in fall 2011. This resulted in an estimated additional cost to California of more than $483 million to educate students that attended proprietary four-year institutions and an *additional* cost of approximately $379 million to educate students that attended proprietary two-year institutions—*a one year total of $862 million* (Table A.2).

[43] Local appropriations for four-year public institutions were found only in some cases, such as New York, and, consequently, do not affect appropriations per FTE student in the majority of states.
[44] All calculations are for AY2011–12, and all dollar figures were CPI adjusted to 2013 dollars and rounded to the nearest hundred.

**Table A.2: Additional Appropriations Needed If California Residents Enrolled in Proprietary Colleges Had Attended Broad-Access, Public Institutions in California in AY2011–12***

| Type of Institution | Estimated FTE Students in Proprietary Institutions | Appropriations Per FTE Student in 2013 Dollars | Total Additional Appropriations Needed |
|---|---|---|---|
| Four-Year | 90,763 | $ 5,300 | $ 483,158,600 |
| Two-Year | 57,133 | $ 6,600 | $ 379,201,200 |

* Note that due to the rounding of all monetary figures the calculations are not exact.

For this calculation we also identified the total direct appropriations that proprietary institutions receive for the benefit of individual students each year, by state and type of institution, and converted these into 2013 dollars (see Table B.3).[45] We then subtracted these figures from the total additional appropriations needed to educate these students. We did this on the assumption that students who received state appropriations at the proprietary institutions would also have received them at the public institutions, had they attended. Consequently, the public institutions would not need to provide those additional funds.

We repeated this exercise for each of the five academic years and added them to produce the estimates for California (Table A.1).

[45] For details on the type of aid that is included here under state and local grants see the reporting form used for Finance Collection at private for-profit schools at https://surveys.nces.ed.gov/IPEDS/Downloads/Forms/package_7_19.pdf. For private for-profit schools, the definition in IPEDS is this: Grant monies provided by the state such as Leveraging Educational Assistance Partnerships (LEAP) (formerly SSIG's); merit scholarships provided by the state; and tuition and fee waivers for which the institution was reimbursed by a state agency. Local government grants include scholarships or gift-aid awarded directly to the student. See https://nces.ed.gov/ipeds/glossary/?charindex=S.

## Appendix B

### Table B.1: Annual Appropriations, From AY2007–08 to AY2011–12, Per FTE Student (in 2013 Dollars) at Broad-Access, Four-Year Institutions Used in the Study

| Institution | State | Admissions Level* | 2011-12 | 2010-11 | 2009-10 | 2008-09 | 2007-08 |
|---|---|---|---|---|---|---|---|
| University of Alaska Anchorage | AK | NC | $10,916 | $10,732 | $11,115 | $11,106 | $11,654 |
| University of Alaska Southeast | AK | LC | $15,839 | $15,004 | $16,446 | $18,037 | $17,761 |
| Alabama A & M University | AL | LC | $ 9,451 | $ 7,570 | $ 8,566 | $12,759 | $11,174 |
| Jacksonville State University | AL | LC | $ 5,064 | $ 4,929 | $ 5,658 | $ 5,701 | $ 7,373 |
| University of South Alabama | AL | LC | $ 8,730 | $ 7,978 | $ 8,485 | $ 9,964 | $13,046 |
| University of Arkansas at Little Rock | AR | NC | $ 7,676 | $ 7,355 | $ 7,558 | $ 8,517 | $ 8,156 |
| Arkansas Tech University | AR | C | $ 4,352 | $ 4,351 | $ 4,786 | $ 5,687 | $ 5,678 |
| University of Arkansas at Monticello | AR | NC | $ 6,017 | $ 6,298 | $ 6,509 | $ 7,232 | $ 7,291 |
| Arizona State University | AZ | C | $ 5,009 | $ 6,389 | $ 6,816 | $ 7,601 | $11,925 |
| Northern Arizona University | AZ | C | $ 5,065 | $ 6,255 | $ 6,983 | $ 8,054 | $10,702 |
| California State University-Bakersfield | CA | LC | $ 6,849 | $ 8,619 | $ 7,772 | $ 7,192 | $10,231 |
| California State University-Dominguez Hills | CA | LC | $ 5,422 | $ 6,859 | $ 6,273 | $ 6,090 | $ 8,724 |
| California State University-Fresno | CA | LC | $ 5,226 | $ 7,065 | $ 6,601 | $ 6,059 | $ 8,583 |
| California State University-Monterey Bay | CA | LC | $10,896 | $13,762 | $11,639 | $10,616 | $15,711 |
| California State University-Northridge | CA | LC | $ 4,137 | $ 6,321 | $ 5,598 | $ 5,082 | $ 7,433 |
| Colorado State University-Pueblo | CO | LC | $ - | $ - | $ - | $ - | $ - |
| Colorado Mesa University | CO | C | $ - | $ - | $ - | $ - | $ - |
| Metropolitan State University of Denver | CO | LC | $ - | $ - | $ - | $ - | $ - |
| Central Connecticut State University | CT | C | $ 6,611 | $ 7,643 | $ 7,817 | $ 8,136 | $ 8,396 |
| Southern Connecticut State University | CT | C | $ 6,716 | $ 7,678 | $ 7,436 | $ 8,131 | $ 8,535 |
| Eastern Connecticut State University | CT | C | $ 8,159 | $ 9,225 | $ 9,534 | $ 9,548 | $ 9,708 |
| University of the District of Columbia | DC | LC | $20,917 | $18,730 | $19,802 | $17,842 | $18,457 |
| Delaware State University | DE | LC | $ 8,747 | $ 9,763 | $11,759 | $12,257 | $11,912 |
| Florida Agricultural and Mechanical University | FL | C | $ 8,275 | $ 8,942 | $ 9,317 | $11,287 | $12,629 |
| University of Central Florida | FL | C | $ 5,391 | $ 5,883 | $ 6,112 | $ 7,369 | $ 7,972 |
| Florida Atlantic University | FL | C | $ 6,986 | $ 8,471 | $ 8,898 | $ 9,785 | $10,853 |
| Florida Gulf Coast University | FL | C | $ 4,481 | $ 4,795 | $ 5,279 | $ 6,652 | $ 8,001 |
| Clayton State University | GA | LC | $ 4,422 | $ 4,740 | $ 4,337 | $ 6,027 | $ 6,340 |
| Armstrong Atlantic State University | GA | C | $ 4,528 | $ 4,641 | $ 4,496 | $ 6,274 | $ 6,727 |
| Albany State University | GA | C | $ 4,392 | $ 4,779 | $ 4,768 | $ 6,529 | $ 7,070 |
| Savannah State University | GA | C | $ 4,231 | $ 4,874 | $ 4,770 | $ 6,538 | $ 7,165 |
| University of Hawaii at Hilo | HI | C | $ 8,599 | $ 8,450 | $ 9,266 | $12,095 | $11,926 |
| Iowa State University | IA | C | $ 8,613 | $ 9,225 | $ 9,777 | $12,642 | $12,442 |
| University of Northern Iowa | IA | C | $ 6,927 | $ 7,194 | $ 8,858 | $ 9,592 | $ 9,126 |
| Boise State University | ID | LC | $ 4,590 | $ 4,780 | $ 5,489 | $ 6,680 | $ 6,738 |
| Idaho State University | ID | C | $ 7,044 | $ 7,312 | $ 7,682 | $ 9,446 | $ 9,269 |
| Lewis-Clark State College | ID | C | $ 4,869 | $ 5,167 | $ 5,887 | $ 7,499 | $ 7,400 |
| Chicago State University | IL | C | $13,731 | $12,239 | $13,389 | $13,403 | $13,472 |

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|---|---|---|---|---|---|---|---|
| Northeastern Illinois University | IL | C | $ 5,173 | $ 5,116 | $ 5,262 | $ 5,650 | $ 5,057 |
| Eastern Illinois University | IL | C | $ 4,931 | $ 4,730 | $ 4,759 | $ 5,007 | $ 4,909 |
| Indiana University-East | IN | LC | $ 3,875 | $ 4,340 | $ 5,073 | $ 6,147 | $ 6,528 |
| Indiana University-South Bend | IN | LC | $ 4,528 | $ 4,465 | $ 4,914 | $ 5,651 | $ 5,828 |
| Indiana University-Kokomo | IN | LC | $ 5,736 | $ 5,579 | $ 6,210 | $ 7,503 | $ 6,950 |
| Indiana University-Northwest | IN | LC | $ 4,438 | $ 4,405 | $ 5,442 | $ 6,766 | $ 6,967 |
| Emporia State University | KS | C | $ 7,089 | $ 6,779 | $ 6,862 | $ 7,293 | $ 7,637 |
| Wichita State University | KS | C | $ 6,246 | $ 6,942 | $ 6,630 | $ 7,199 | $ 7,768 |
| Pittsburg State University | KS | C | $ 5,445 | $ 5,482 | $ 5,551 | $ 6,218 | $ 6,528 |
| Washburn University | KS | NC | $ 6,388 | $ 6,227 | $ 6,831 | $ 7,284 | $ 7,199 |
| Kentucky State University | KY | LC | $11,024 | $10,572 | $10,749 | $12,779 | $13,240 |
| Northern Kentucky University | KY | NC | $ 4,135 | $ 4,206 | $ 4,334 | $ 4,860 | $ 4,925 |
| Western Kentucky University | KY | LC | $ 4,617 | $ 4,808 | $ 4,956 | $ 5,346 | $ 5,668 |
| Grambling State University | LA | NC | $ 4,053 | $ 4,783 | $ 4,737 | $ 6,706 | $ 7,134 |
| Southern University at New Orleans | LA | NC | $ 4,247 | $ 3,902 | $ 4,140 | $ 6,773 | $ 8,233 |
| Louisiana State University-Shreveport | LA | LC | $ 3,614 | $ 3,905 | $ 3,672 | $ 6,170 | $ 6,459 |
| McNeese State University | LA | LC | $ 3,807 | $ 4,332 | $ 4,377 | $ 6,716 | $ 6,766 |
| Bridgewater State University | MA | C | $ 4,808 | $ 4,774 | $ 4,294 | $ 5,585 | $ 6,788 |
| Worcester State University | MA | C | $ 5,455 | $ 5,928 | $ 5,269 | $ 6,685 | $ 7,717 |
| Fitchburg State University | MA | C | $ 6,453 | $ 6,224 | $ 5,257 | $ 6,698 | $ 7,843 |
| Salem State University | MA | LC | $ 6,360 | $ 6,139 | $ 5,218 | $ 6,629 | $ 7,564 |
| Bowie State University | MD | C | $ 8,084 | $ 7,691 | $ 7,100 | $ 8,134 | $ 8,059 |
| Frostburg State University | MD | C | $ 7,154 | $ 6,679 | $ 6,175 | $ 7,276 | $ 7,385 |
| Coppin State University | MD | C | $13,175 | $12,377 | $12,033 | $11,428 | $10,900 |
| University of Maine at Fort Kent | ME | LC | $ 5,804 | $ 5,795 | $ 5,795 | $ 5,956 | $ 5,130 |
| University of Maine at Presque Isle | ME | LC | $ 6,127 | $ 5,868 | $ 6,137 | $ 6,047 | $ 5,885 |
| Central Michigan University | MI | C | $ 3,031 | $ 3,500 | $ 3,759 | $ 3,957 | $ 4,350 |
| University of Michigan-Flint | MI | C | $ 3,015 | $ 3,528 | $ 3,811 | $ 4,382 | $ 5,012 |
| Eastern Michigan University | MI | C | $ 3,864 | $ 4,428 | $ 4,676 | $ 5,126 | $ 5,391 |
| Lake Superior State University | MI | LC | $ 4,578 | $ 5,511 | $ 5,816 | $ 6,145 | $ 6,388 |
| Southwest Minnesota State University | MN | C | $ 3,545 | $ 3,836 | $ 3,958 | $ 4,719 | $ 4,880 |
| Minnesota State University Moorhead | MN | C | $ 4,319 | $ 4,627 | $ 4,983 | $ 5,643 | $ 5,566 |
| Minnesota State University-Mankato | MN | LC | $ 3,636 | $ 3,988 | $ 4,358 | $ 5,030 | $ 4,952 |
| University of Minnesota-Crookston | MN | LC | $ 4,760 | $ 6,061 | $ 7,318 | $ 8,618 | $ 8,380 |
| Lincoln University | MO | NC | $ 6,540 | $ 7,100 | $ 8,142 | $ 8,512 | $ 7,950 |
| Northwest Missouri State University | MO | C | $ 4,694 | $ 5,000 | $ 5,562 | $ 5,848 | $ 5,801 |
| Missouri Southern State University | MO | C | $ 4,948 | $ 4,994 | $ 5,595 | $ 6,118 | $ 5,371 |
| Missouri Western State University | MO | NC | $ 4,103 | $ 4,440 | $ 5,358 | $ 8,296 | $ 5,902 |
| Mississippi State University | MS | C | $ 9,402 | $ 9,018 | $10,352 | $12,072 | $13,308 |
| Alcorn State University | MS | C | $ 8,355 | $ 8,726 | $10,363 | $11,092 | $ 9,955 |
| Delta State University | MS | C | $ 5,719 | $ 5,519 | $ 6,616 | $ 7,437 | $ 7,524 |
| Mississippi University for Women | MS | LC | $ 6,481 | $ 5,669 | $ 6,791 | $ 8,243 | $ 8,637 |
| Mississippi Valley State University | MS | LC | $ 9,109 | $ 7,348 | $ 7,360 | $ 8,366 | $ 8,399 |
| Montana State University-Northern | MT | NC | $ 8,962 | $ 7,048 | $ 7,775 | $ 9,569 | $ 9,696 |

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|---|---|---|---|---|---|---|---|
| Montana State University Billings | MT | LC | $ 4,784 | $ 5,199 | $ 5,559 | $ 7,375 | $ 6,421 |
| The University of Montana-Western | MT | LC | $ 5,699 | $ 4,496 | $ 5,006 | $ 6,719 | $ 6,578 |
| East Carolina University | NC | LC | $12,159 | $11,754 | $12,011 | $11,276 | $13,173 |
| North Carolina Central University | NC | LC | $12,172 | $11,659 | $12,218 | $11,994 | $12,948 |
| Fayetteville State University | NC | LC | $10,723 | $10,493 | $10,742 | $10,658 | $11,307 |
| Elizabeth City State University | NC | LC | $13,693 | $11,548 | $12,168 | $12,548 | $13,149 |
| Dickinson State University | ND | NC | $ 8,478 | $ 5,375 | $ 5,097 | $ 4,209 | $ 4,253 |
| Mayville State University | ND | NC | $ 9,365 | $ 9,045 | $ 9,318 | $ 9,835 | $ 9,470 |
| Valley City State University | ND | NC | $ 8,848 | $ 8,889 | $10,401 | $ 9,536 | $ 8,875 |
| Chadron State College | NE | NC | $ 7,228 | $ 7,557 | $ 7,805 | $ 8,078 | $ 7,602 |
| Peru State College | NE | NC | $ 5,292 | $ 5,043 | $ 5,288 | $ 5,854 | $ 5,378 |
| Wayne State College | NE | NC | $ 6,736 | $ 7,168 | $ 7,340 | $ 7,193 | $ 6,702 |
| Keene State College | NH | C | $ 1,443 | $ 2,716 | $ 2,809 | $ 2,913 | $ 2,886 |
| Plymouth State University | NH | C | $ 1,482 | $ 2,734 | $ 2,741 | $ 2,674 | $ 2,744 |
| Kean University | NJ | C | $ 4,905 | $ 4,858 | $ 5,372 | $ 6,378 | $ 6,934 |
| William Paterson University of New Jersey | NJ | C | $ 6,212 | $ 6,275 | $ 6,857 | $ 7,658 | $ 7,939 |
| Montclair State University | NJ | C | $ 5,211 | $ 5,323 | $ 5,424 | $ 5,924 | $ 6,326 |
| New Mexico Highlands University | NM | NC | $10,159 | $10,494 | $12,042 | $13,817 | $15,029 |
| New Mexico State University-Main Campus | NM | LC | $10,053 | $ 9,878 | $11,137 | $12,834 | $13,458 |
| Western New Mexico University | NM | LC | $ 7,400 | $ 7,423 | $ 8,659 | $11,516 | $12,559 |
| University of Nevada-Las Vegas | NV | C | $ 7,168 | $ 7,776 | $ 5,497 | $ 9,652 | $ 9,675 |
| University of Nevada-Reno | NV | NC | $10,176 | $12,213 | $10,340 | $15,806 | $16,310 |
| CUNY College of Staten Island | NY | NC | $ 6,050 | $ 5,963 | $ 6,146 | $ 6,424 | $ 7,144 |
| CUNY Lehman College | NY | LC | $ 8,332 | $ 8,350 | $ 8,290 | $ 8,785 | $ 9,081 |
| CUNY Medgar Evers College | NY | NC | $ 8,348 | $ 8,978 | $ 7,616 | $ 9,831 | $10,859 |
| CUNY New York City College of Technology | NY | NC | $ 4,919 | $ 5,401 | $ 5,241 | $ 6,039 | $ 6,130 |
| CUNY York College | NY | NC | $ 6,831 | $ 7,740 | $ 7,672 | $ 8,028 | $ 8,062 |
| SUNY Institute of Technology at Utica-Rome | NY | C | $11,278 | $12,496 | $14,694 | $16,353 | $17,081 |
| Ohio State University-Lima Campus | OH | C | $ 3,297 | $ 3,346 | $ 3,689 | $ 4,186 | $ 4,109 |
| Ohio State University-Mansfield Campus | OH | C | $ 4,003 | $ 4,438 | $ 4,400 | $ 5,031 | $ 4,709 |
| Ohio State University-Marion Campus | OH | C | $ 3,732 | $ 3,412 | $ 3,553 | $ 3,843 | $ 3,776 |
| Ohio State University-Newark Campus | OH | C | $ 2,650 | $ 3,248 | $ 3,596 | $ 3,364 | $ 3,096 |
| Shawnee State University | OH | NC | $ 3,958 | $ 3,865 | $ 4,204 | $ 5,332 | $ 5,366 |
| University of Akron Main Campus | OH | NC | $ 4,397 | $ 4,363 | $ 4,737 | $ 5,830 | $ 5,606 |
| University of Toledo | OH | NC | $ 5,590 | $ 5,504 | $ 5,689 | $ 6,461 | $ 6,747 |
| Youngstown State University | OH | NC | $ 3,358 | $ 3,251 | $ 3,535 | $ 4,646 | $ 4,324 |
| Cameron University | OK | NC | $ 4,437 | $ 4,777 | $ 5,137 | $ 5,972 | $ 5,890 |
| Langston University | OK | LC | $ 7,969 | $ 8,099 | $ 8,087 | $ 8,952 | $ 8,706 |
| Northwestern Oklahoma State University | OK | NC | $ 5,641 | $ 5,321 | $ 5,881 | $ 6,984 | $ 7,063 |
| Oklahoma Panhandle State University | OK | NC | $ 5,793 | $ 6,113 | $ 6,702 | $ 7,792 | $ 7,990 |
| Eastern Oregon University | OR | C | $ 4,581 | $ 5,296 | $ 5,985 | $ 5,776 | $ 8,713 |
| Oregon Institute of Technology | OR | C | $ 5,663 | $ 6,812 | $ 6,670 | $ 6,785 | $10,035 |
| Oregon State University | OR | C | $ 6,432 | $ 7,353 | $ 8,413 | $ 8,792 | $10,959 |
| Cheyney University of Pennsylvania | PA | LC | $12,233 | $ 9,858 | $11,108 | $12,587 | $11,923 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| University of Pittsburgh-Johnstown | PA | LC | $ - | $ - | $ - | $ - | $ - |
| Pennsylvania College of Technology | PA | NC | $ - | $ - | $ - | $ - | $ - |
| Rhode Island College | RI | LC | $ 5,600 | $ 5,381 | $ 5,498 | $ 6,151 | $ 6,860 |
| University of Rhode Island | RI | C | $ 4,222 | $ 4,062 | $ 4,175 | $ 4,851 | $ 5,989 |
| Coastal Carolina University | SC | C | $ 1,154 | $ 1,299 | $ 1,728 | $ 2,010 | $ 2,760 |
| University of South Carolina-Upstate | SC | C | $ 1,793 | $ 1,863 | $ 2,398 | $ 2,828 | $ 3,807 |
| South Carolina State University | SC | LC | $ 3,868 | $ 3,666 | $ 4,989 | $ 5,485 | $ 7,568 |
| University of South Carolina-Aiken | SC | LC | $ 2,271 | $ 2,395 | $ 3,065 | $ 3,582 | $ 4,678 |
| Black Hills State University | SD | LC | $ 2,316 | $ 2,233 | $ 2,606 | $ 2,733 | $ 2,953 |
| Northern State University | SD | C | $ 5,302 | $ 5,141 | $ 6,032 | $ 5,673 | $ 6,752 |
| Oglala Lakota College | SD | NC | $ - | $ - | $ - | $ - | $ - |
| Austin Peay State University | TN | C | $ 3,245 | $ 4,326 | $ 3,909 | $ 4,790 | $ 5,454 |
| Tennessee State University | TN | C | $ 5,143 | $ 6,928 | $ 5,925 | $ 7,180 | $ 7,079 |
| East Tennessee State University | TN | C | $ 6,077 | $ 7,765 | $ 7,235 | $ 8,449 | $ 9,344 |
| Middle Tennessee State University | TN | C | $ 3,461 | $ 4,572 | $ 4,101 | $ 4,895 | $ 5,426 |
| Angelo State University | TX | NC | $ 4,872 | $ 5,212 | $ 5,980 | $ 6,035 | $ 6,126 |
| The University of Texas at El Paso | TX | NC | $ 5,247 | $ 5,284 | $ 6,540 | $ 6,648 | $ 6,498 |
| University of Houston-Downtown | TX | NC | $ 2,919 | $ 3,996 | $ 4,103 | $ 4,385 | $ 4,387 |
| Southern Utah University | UT | C | $ 4,836 | $ 4,561 | $ 4,706 | $ 5,510 | $ 6,268 |
| Utah State University | UT | LC | $ 8,489 | $ 8,852 | $ 9,920 | $11,247 | $12,371 |
| Weber State University | UT | NC | $ 3,757 | $ 3,831 | $ 4,075 | $ 4,853 | $ 5,723 |
| Longwood University | VA | C | $ 6,175 | $ 6,749 | $ 6,633 | $ 8,113 | $ 7,961 |
| Radford University | VA | C | $ 5,471 | $ 6,199 | $ 6,642 | $ 7,040 | $ 7,238 |
| Virginia Commonwealth University | VA | C | $ 6,966 | $ 7,256 | $ 7,263 | $ 8,940 | $ 9,487 |
| Norfolk State University | VA | LC | $ 7,862 | $ 8,112 | $ 7,963 | $10,004 | $10,636 |
| Castleton State College | VT | C | $ 2,477 | $ 2,609 | $ 2,927 | $ 2,707 | $ 2,745 |
| Johnson State College | VT | C | $ 3,484 | $ 3,637 | $ 3,905 | $ 3,586 | $ 3,667 |
| Lyndon State College | VT | C | $ 3,811 | $ 4,102 | $ 4,264 | $ 4,077 | $ 3,992 |
| Central Washington University | WA | C | $ 3,309 | $ 4,087 | $ 4,855 | $ 6,424 | $ 6,421 |
| Washington State University | WA | C | $ 6,525 | $ 8,306 | $ 9,422 | $11,838 | $12,201 |
| Eastern Washington University | WA | C | $ 3,368 | $ 4,335 | $ 5,290 | $ 7,066 | $ 6,559 |
| University of Wisconsin-Oshkosh | WI | LC | $ 3,380 | $ 3,976 | $ 4,180 | $ 4,408 | $ 3,957 |
| University of Wisconsin-Parkside | WI | LC | $ 6,212 | $ 6,606 | $ 6,156 | $ 6,294 | $ 6,065 |
| University of Wisconsin-River Falls | WI | LC | $ 3,774 | $ 4,599 | $ 4,245 | $ 4,755 | $ 5,186 |
| Glenville State College | WV | NC | $ 5,118 | $ 4,277 | $ 4,687 | $ 5,860 | $ 5,402 |
| Bluefield State College | WV | LC | $ 4,086 | $ 3,435 | $ 3,636 | $ 4,248 | $ 4,268 |
| Concord University | WV | LC | $ 4,181 | $ 4,051 | $ 4,168 | $ 4,236 | $ 4,326 |
| West Virginia State University | WV | NC | $ 5,775 | $ 4,719 | $ 4,448 | $ 5,590 | $ 6,374 |
| West Virginia University Institute of Technology | WV | NC | $ - | $ - | $ - | $ - | $ - |
| University of Wyoming | WY | C | $20,695 | $19,964 | $20,270 | $21,848 | $18,989 |

* NC (Noncompetitive), LC (Less Competitive), C (Competitive). See Table C.5 for *Barron's* definitions of degrees of admissions competitiveness.

**Table B.2: Online FTE Students Resident in the 50 States and D.C. Who Were Enrolled in Proprietary Institutions that Reported Them as Resident Outside the Reporting State (by State, Type of Institution, and Year)**

| State | Fall 2011 | Fall 2010 | Fall 2009 | Fall 2008 | Fall 2007 | TOTAL |
|---|---|---|---|---|---|---|
| AK 2-Year | 509 | 639 | 576 | 416 | 295 | 2,434 |
| AK 4-Year | 867 | 796 | 657 | 513 | 367 | 3,200 |
| AL 2-Year | 3,714 | 4,285 | 3,125 | 1,877 | 1,297 | 14,297 |
| AL 4-Year | 3,937 | 3,462 | 2,575 | 1,652 | 1,147 | 12,774 |
| AR 2-Year | 1,544 | 2,011 | 1,688 | 1,140 | 824 | 7,207 |
| AR 4-Year | 1,597 | 1,592 | 1,534 | 1,017 | 718 | 6,459 |
| AZ 2-Year | 3,884 | 5,236 | 4,525 | 3,248 | 2,367 | 19,260 |
| AZ 4-Year | 5,670 | 5,676 | 4,703 | 3,722 | 2,959 | 22,729 |
| CA 2-Year | 9,707 | 13,035 | 11,724 | 8,609 | 6,538 | 49,613 |
| CA 4-Year | 19,185 | 19,059 | 16,092 | 12,043 | 9,296 | 75,676 |
| CO 2-Year | 2,606 | 3,266 | 2,879 | 2,075 | 1,606 | 12,432 |
| CO 4-Year | 3,903 | 3,499 | 2,979 | 2,263 | 1,722 | 14,367 |
| CT 2-Year | 1,017 | 1,478 | 1,376 | 882 | 585 | 5,339 |
| CT 4-Year | 1,195 | 1,256 | 1,102 | 880 | 696 | 5,128 |
| DC 2-Year | 114 | 127 | 86 | 80 | 54 | 462 |
| DC 4-Year | 270 | 263 | 221 | 155 | 106 | 1,015 |
| DE 2-Year | 560 | 661 | 554 | 339 | 251 | 2,365 |
| DE 4-Year | 738 | 572 | 487 | 368 | 276 | 2,441 |
| FL 2-Year | 8,432 | 10,933 | 9,491 | 6,379 | 4,131 | 39,366 |
| FL 4-Year | 11,589 | 11,700 | 9,686 | 7,282 | 5,236 | 45,494 |
| GA 2-Year | 9,588 | 11,734 | 9,082 | 5,654 | 3,951 | 40,010 |
| GA 4-Year | 12,045 | 11,399 | 8,936 | 6,263 | 4,375 | 43,018 |
| HI 2-Year | 779 | 893 | 795 | 585 | 460 | 3,512 |
| HI 4-Year | 1,438 | 1,323 | 1,077 | 811 | 631 | 5,281 |
| IA 2-Year | 1,135 | 1,525 | 1,351 | 953 | 646 | 5,610 |
| IA 4-Year | 1,646 | 1,703 | 1,481 | 1,127 | 872 | 6,830 |
| ID 2-Year | 1,418 | 1,674 | 1,231 | 761 | 526 | 5,611 |
| ID 4-Year | 1,403 | 1,207 | 939 | 651 | 489 | 4,688 |
| IL 2-Year | 2,488 | 3,683 | 3,431 | 2,152 | 1,667 | 13,420 |
| IL 4-Year | 6,716 | 6,395 | 5,388 | 4,008 | 2,937 | 25,444 |
| IN 2-Year | 3,690 | 4,790 | 4,060 | 2,455 | 1,640 | 16,635 |
| IN 4-Year | 3,394 | 3,367 | 2,710 | 1,859 | 1,314 | 12,644 |
| KS 2-Year | 1,385 | 1,843 | 1,609 | 1,194 | 789 | 6,819 |
| KS 4-Year | 1,535 | 1,379 | 1,175 | 939 | 718 | 5,746 |
| KY 2-Year | 2,445 | 3,086 | 2,519 | 1,598 | 1,074 | 10,722 |
| KY 4-Year | 2,395 | 2,365 | 1,886 | 1,343 | 942 | 8,931 |
| LA 2-Year | 2,857 | 3,658 | 2,927 | 1,956 | 1,445 | 12,843 |
| LA 4-Year | 3,344 | 3,190 | 2,495 | 1,747 | 1,214 | 11,990 |
| MA 2-Year | 1,222 | 1,668 | 1,444 | 1,058 | 700 | 6,092 |

| | | | | | | |
|---|---|---|---|---|---|---|
| MA 4-Year | 1,585 | 1,606 | 1,394 | 1,073 | 847 | 6,504 |
| MD 2-Year | 2,933 | 3,784 | 3,575 | 2,480 | 1,755 | 14,527 |
| MD 4-Year | 4,386 | 4,325 | 3,737 | 2,970 | 2,359 | 17,776 |
| ME 2-Year | 684 | 811 | 677 | 476 | 320 | 2,968 |
| ME 4-Year | 723 | 584 | 541 | 380 | 269 | 2,498 |
| MI 2-Year | 5,584 | 7,543 | 6,082 | 3,884 | 2,389 | 25,482 |
| MI 4-Year | 5,461 | 5,300 | 4,231 | 3,025 | 2,160 | 20,177 |
| MN 2-Year | 1,469 | 1,962 | 1,764 | 1,258 | 825 | 7,277 |
| MN 4-Year | 1,949 | 2,187 | 1,830 | 1,433 | 1,171 | 8,569 |
| MO 2-Year | 3,368 | 4,463 | 4,003 | 2,631 | 1,785 | 16,250 |
| MO 4-Year | 3,850 | 3,669 | 3,032 | 2,150 | 1,552 | 14,252 |
| MS 2-Year | 3,377 | 5,974 | 4,020 | 1,461 | 943 | 15,776 |
| MS 4-Year | 2,759 | 3,934 | 2,350 | 1,439 | 850 | 11,333 |
| MT 2-Year | 604 | 738 | 576 | 395 | 293 | 2,606 |
| MT 4-Year | 799 | 703 | 542 | 405 | 290 | 2,739 |
| NC 2-Year | 21,892 | 10,042 | 8,036 | 4,838 | 3,178 | 47,986 |
| NC 4-Year | 9,551 | 9,296 | 6,975 | 4,838 | 3,416 | 34,076 |
| ND 2-Year | 212 | 250 | 211 | 168 | 119 | 960 |
| ND 4-Year | 394 | 374 | 318 | 225 | 157 | 1,467 |
| NE 2-Year | 624 | 843 | 715 | 505 | 320 | 3,006 |
| NE 4-Year | 748 | 757 | 642 | 474 | 343 | 2,965 |
| NH 2-Year | 486 | 610 | 525 | 355 | 244 | 2,220 |
| NH 4-Year | 532 | 513 | 429 | 342 | 283 | 2,099 |
| NJ 2-Year | 2,436 | 3,359 | 3,078 | 2,204 | 1,548 | 12,625 |
| NJ 4-Year | 3,496 | 3,620 | 3,171 | 2,705 | 2,332 | 15,325 |
| NM 2-Year | 773 | 1,016 | 844 | 599 | 431 | 3,664 |
| NM 4-Year | 1,436 | 1,298 | 1,034 | 817 | 607 | 5,193 |
| NV 2-Year | 1,520 | 1,868 | 1,515 | 991 | 696 | 6,590 |
| NV 4-Year | 2,338 | 2,119 | 1,646 | 1,170 | 863 | 8,137 |
| NY 2-Year | 5,115 | 7,084 | 6,211 | 4,073 | 3,127 | 25,610 |
| NY 4-Year | 6,417 | 6,607 | 5,769 | 4,396 | 3,608 | 26,796 |
| OH 2-Year | 7,909 | 10,522 | 8,928 | 5,493 | 3,498 | 36,350 |
| OH 4-Year | 7,758 | 7,695 | 6,175 | 4,232 | 3,075 | 28,934 |
| OK 2-Year | 1,887 | 2,572 | 2,214 | 1,528 | 1,088 | 9,288 |
| OK 4-Year | 2,239 | 2,153 | 1,715 | 1,212 | 874 | 8,193 |
| OR 2-Year | 1,701 | 2,142 | 1,705 | 1,023 | 791 | 7,361 |
| OR 4-Year | 1,842 | 1,696 | 1,395 | 1,056 | 797 | 6,787 |
| PA 2-Year | 5,783 | 7,746 | 6,732 | 4,542 | 2,770 | 27,573 |
| PA 4-Year | 6,556 | 6,949 | 5,891 | 4,443 | 3,359 | 27,197 |
| RI 2-Year | 254 | 319 | 276 | 192 | 128 | 1,169 |
| RI 4-Year | 323 | 302 | 247 | 204 | 165 | 1,242 |
| SC 2-Year | 3,555 | 4,369 | 3,662 | 2,223 | 1,464 | 15,273 |
| SC 4-Year | 4,696 | 4,405 | 3,464 | 2,558 | 1,818 | 16,942 |
| SD 2-Year | 332 | 428 | 337 | 263 | 186 | 1,545 |

| | | | | | | |
|---|---|---|---|---|---|---|
| SD 4-Year | 471 | 440 | 364 | 260 | 205 | 1,741 |
| TN 2-Year | 3,787 | 4,850 | 4,009 | 2,540 | 1,774 | 16,961 |
| TN 4-Year | 4,257 | 3,985 | 3,259 | 2,323 | 1,625 | 15,449 |
| TX 2-Year | 13,322 | 19,293 | 16,858 | 10,725 | 7,540 | 67,739 |
| TX 4-Year | 18,759 | 18,863 | 15,909 | 11,555 | 8,661 | 73,746 |
| UT 2-Year | 959 | 1,329 | 1,069 | 703 | 549 | 4,610 |
| UT 4-Year | 1,596 | 1,482 | 1,185 | 829 | 654 | 5,746 |
| VA 2-Year | 5,079 | 6,485 | 5,602 | 3,624 | 2,434 | 23,226 |
| VA 4-Year | 6,858 | 6,659 | 5,764 | 4,526 | 3,502 | 27,308 |
| VT 2-Year | 506 | 218 | 188 | 144 | 113 | 1,169 |
| VT 4-Year | 214 | 216 | 189 | 151 | 106 | 877 |
| WA 2-Year | 3,109 | 4,022 | 3,289 | 2,295 | 1,692 | 14,407 |
| WA 4-Year | 4,582 | 4,356 | 3,611 | 2,841 | 2,354 | 17,744 |
| WI 2-Year | 3,063 | 4,107 | 3,489 | 2,316 | 1,587 | 14,561 |
| WI 4-Year | 3,314 | 3,220 | 2,507 | 1,885 | 1,419 | 12,344 |
| WV 2-Year | 1,050 | 1,279 | 997 | 654 | 425 | 4,404 |
| WV 4-Year | 1,155 | 1,076 | 888 | 618 | 434 | 4,171 |
| WY 2-Year | 378 | 481 | 379 | 254 | 178 | 1,670 |
| WY 4-Year | 490 | 468 | 385 | 280 | 220 | 1,845 |
| TOTAL FTE STUDENTS | 357,245 | 387,796 | 322,751 | 223,708 | 161,429 | 1,452,929 |

**Table B.3: Appropriations Received by Proprietary Institutions For the Benefit of Individual Students that Were Subtracted from the Total Additional Appropriations Needed by State (in 2013 Dollars)**

**4-Year Institutions**

| State | 2008-2012 | AY02-03 - AY11-12 |
|---|---|---|
| AK | $ - | $ - |
| AL | $ 1,778,369 | $ 1,814,414 |
| AR | $ - | $ - |
| AZ | $ 4,318,415 | $ 4,390,436 |
| CA | $ 77,288,364 | $ 88,010,531 |
| CO | $ 3,023,233 | $ 3,129,403 |
| CT | $ 8,093,887 | $ 12,593,740 |
| DC | $ - | $ - |
| DE | $ - | $ - |
| FL | $ 21,418,689 | $ 23,505,796 |
| GA | $ 29,874,120 | $ 32,189,276 |
| HI | $ 1,084,073 | $ 1,084,073 |
| IA | $ 47,541,144 | $ 83,089,222 |
| ID | $ 712,482 | $ 712,526 |
| IL | $ 21,987,153 | $ 21,987,153 |

**2-Year Institutions**

| State | 2008-2012 | AY05-06 - AY11-12 |
|---|---|---|
| AK | $ - | $ - |
| AL | $ - | $ - |
| AR | $ - | $ - |
| AZ | $ 684,001 | $ 959,356 |
| CA | $ 43,684,447 | $ 59,226,294 |
| CO | $ 2,388,485 | $ 3,677,044 |
| CT | $ 2,177 | $ 2,177 |
| DC | $ - | $ - |
| DE | $ - | $ - |
| FL | $ 10,629,325 | $ 12,411,817 |
| GA | $ 836,772 | $ 836,772 |
| HI | $ - | $ - |
| IA | $ - | $ - |
| ID | $ - | $ - |
| IL | $ 16,248,911 | $ 26,367,342 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| IN | $ | 15,894,032 | $ | 16,472,396 | IN | $ | 2,039,605 | $ | 3,358,573 |
| KS | $ | 56,892 | $ | 56,892 | KS | $ | 1,288,922 | $ | 1,288,922 |
| KY | $ | 27,500,899 | $ | 37,702,604 | KY | $ | 2,185,917 | $ | 2,629,524 |
| LA | $ | - | $ | - | LA | $ | 2,095 | $ | 2,095 |
| MA | $ | 3,800,957 | $ | 3,800,957 | MA | $ | 756,138 | $ | 866,750 |
| MD | $ | 1,830,727 | $ | 4,843,854 | MD | $ | 1,274,132 | $ | 2,076,081 |
| ME | $ | 1,858,304 | $ | 3,123,081 | ME | $ | - | $ | - |
| MI | $ | 853,458 | $ | 853,458 | MI | $ | 50,136 | $ | 50,136 |
| MN | $ | 14,073,321 | $ | 21,127,053 | MN | $ | 125,351 | $ | 125,351 |
| MO | $ | 256,939 | $ | 273,082 | MO | $ | 4,788,093 | $ | 5,843,856 |
| MS | $ | - | $ | - | MS | $ | - | $ | - |
| MT | $ | - | $ | - | MT | $ | - | $ | - |
| NC | $ | 390,942 | $ | 390,942 | NC | $ | - | $ | - |
| ND | $ | - | $ | - | ND | $ | - | $ | - |
| NE | $ | 4,007,766 | $ | 7,564,282 | NE | $ | 45,116 | $ | 98,536 |
| NH | $ | 2,589,290 | $ | 6,206,980 | NH | $ | - | $ | - |
| NJ | $ | - | $ | - | NJ | $ | - | $ | - |
| NM | $ | 2,042,761 | $ | 2,042,761 | NM | $ | - | $ | - |
| NV | $ | 1,123,915 | $ | 1,123,915 | NV | $ | 581,147 | $ | 1,021,348 |
| NY | $ | 33,794,044 | $ | 99,558,522 | NY | $ | 20,088,942 | $ | 26,006,177 |
| OH | $ | 20,675,554 | $ | 20,675,554 | OH | $ | 27,978,236 | $ | 39,094,359 |
| OK | $ | 119,056 | $ | 119,056 | OK | $ | 2,366 | $ | 2,366 |
| OR | $ | 270,774 | $ | 270,774 | OR | $ | 4,358,044 | $ | 5,077,052 |
| PA | $ | 25,269,691 | $ | 25,269,691 | PA | $ | 46,345,700 | $ | 70,376,493 |
| RI | $ | - | $ | - | RI | $ | - | $ | - |
| SC | $ | 4,962,303 | $ | 4,962,303 | SC | $ | 59,606 | $ | 62,462 |
| SD | $ | - | $ | - | SD | $ | - | $ | - |
| TN | $ | 4,232,047 | $ | 4,831,869 | TN | $ | 7,527,866 | $ | 9,255,509 |
| TX | $ | 7,172,908 | $ | 7,172,908 | TX | $ | 10,538,519 | $ | 16,076,951 |
| UT | $ | 1,018,240 | $ | 1,062,918 | UT | $ | 490,829 | $ | 490,829 |
| VA | $ | 16,061,641 | $ | 21,251,585 | VA | $ | 1,476,984 | $ | 1,980,265 |
| VT | $ | 9,276,273 | $ | 9,276,273 | VT | $ | - | $ | - |
| WA | $ | 5,870,440 | $ | 5,870,440 | WA | $ | 25,620 | $ | 25,620 |
| WI | $ | - | $ | - | WI | $ | - | $ | - |
| WV | $ | - | $ | - | WV | $ | 1,685,165 | $ | 2,241,721 |
| WY | $ | - | $ | - | WY | $ | - | $ | - |
| **TOTAL** | $ | 422,123,106 | $ | 578,410,724 | **TOTAL** | $ | 208,188,648 | $ | 291,531,779 |

## Table B.4: Barron's Levels of Admissions Competitiveness

| Degree of Admissions Competitiveness | General Criteria | Institutions* (Percentage) | Students* (Percentage) |
|---|---|---|---|
| **Noncompetitive (NC)** | Only requires evidence of graduation from an accredited high school; acceptance of 98% or more of applicants. | 78 (5.6) | 325,332 (4.0) |
| **Less Competitive (LC)** | Median freshman test scores generally below 500 on the SAT and below 21 on the ACT; admit students with average high school GPAs below C and who rank in top 65% of the graduating class; accept 85% or more of applicants. | 185 (13.4) | 713,321 (8.8) |
| **Competitive (C)** | Median freshman test scores between 500 and 572 on SAT and between 21 and 23 on ACT; admit students with minimum high school GPAs between C and B-; accept between 75% and 85% of applicants. | 660 (47.7) | 3,372,603 (41.5) |
| **Very Competitive (VC)** | Median freshman test scores between 573 and 619 on SAT and between 24 and 26 on ACT; admit students with average high school GPAs no less than B-; accept between 50% and 75% of applicants. | 274 (19.8) | 2,025,954 (24.9) |
| **Highly Competitive (HC)** | Median freshman test scores between 620 and 654 on SAT and between 27 and 28 on ACT; admit students with average high school GPAs no less than B; accept between 33% and 50% of applicants. | 107 (7.7) | 1,050,497 (12.9) |
| **Most Competitive (MC)** | Median freshman test scores between 655 and 800 on SAT and 29 and above on ACT; admit students with average high school GPAs no less than B+ and who rank in top 10% to 20% of graduating class; accept fewer than 33% of applicants. | 81 (5.8) | 641,852 (7.9) |
| **Total** | | 1,385 | 8,129,559 |

*Note:* ACT = American College Test; GPA = grade point average; SAT = Scholastic Assessment Test.
*Hess, F. M., Schneider, M., Carey, K., & Kelly, A. P. (2009). *Diplomas and dropouts: Which colleges actually graduate their students (and which don't)* (Table A1). Washington, DC: American Enterprise Institute.