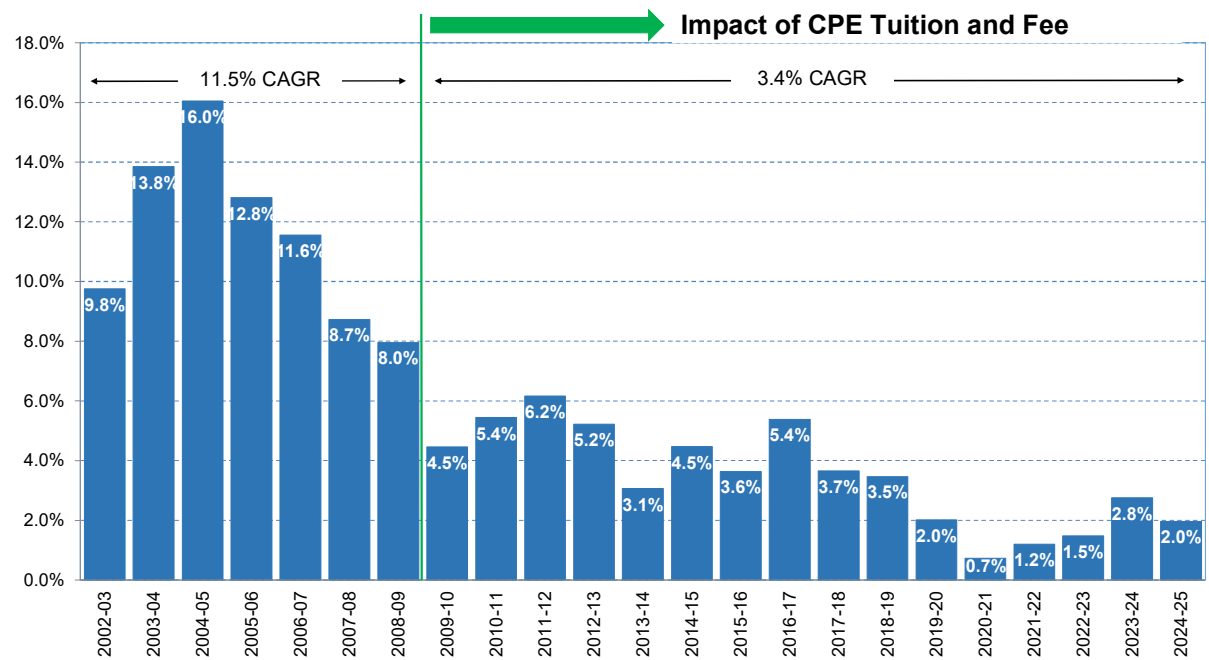


Total Cost of Attendance at Kentucky Public Universities

Purpose

- The Council has kept **tuition and fee increases at historically low levels** since setting ceilings in 2009-10
- Council members asked whether institutions have **responded by increasing prices on other components of the cost of attendance**, such as room and board and books and supplies
- **This presentation displays trends in the total cost of attendance (i.e., total price)** for KY's public universities using data from the National Center for Education Statistics' Integrated Postsecondary Education Data System (IPEDS)
- This analysis compares trends across components of total price as reported by KY public universities from **2009-10 to 2023-24 to coincide with CPE's tuition and fee ceilings**

Kentucky Public Postsecondary Institutions
Annual Change in Resident Undergraduate Tuition and Fees
Academic Years 2001-02 through 2024-25



Source: Council on Postsecondary Education, Comprehensive Database.

CAGR = Compound Annual Growth Rate

Interpreting the Data

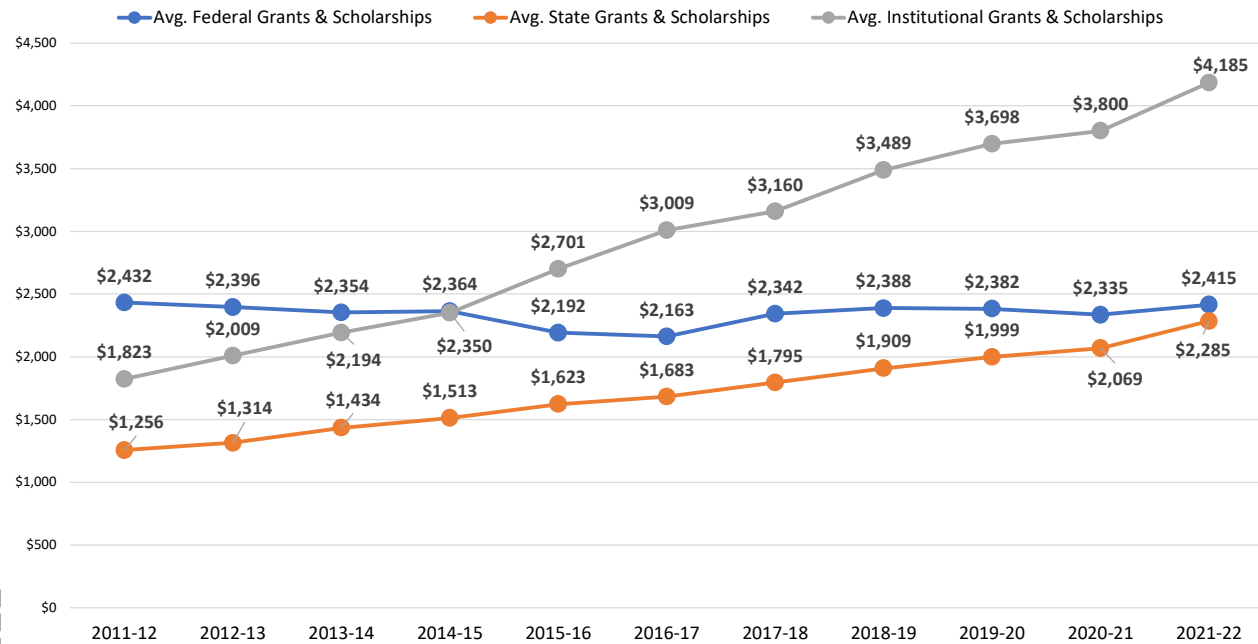
An important note on interpretation:

- **Total price is one of many metrics** used to determine how universities' pricing structures have evolved and their effects on affordability
- For example, in recent years, KY's public universities have **dramatically increased the amount of institutional grants and scholarships** they award annually
- As such, **average net price is a better indicator of how affordability has changed** over time across various student groups.
- **Average net price as a percentage of median household income** is another useful indicator for assessing affordability

Avg. Net Price = total price – avg. grant and scholarship aid from federal, state, or local governments, or the institution

- **The analysis in this presentation is limited to trends in total price and its components**

4-year Public Average Grants & Scholarships for Degree-seeking Undergraduate Kentucky Resident Students



Source: Kentucky Postsecondary Education Data System (KPEDS)

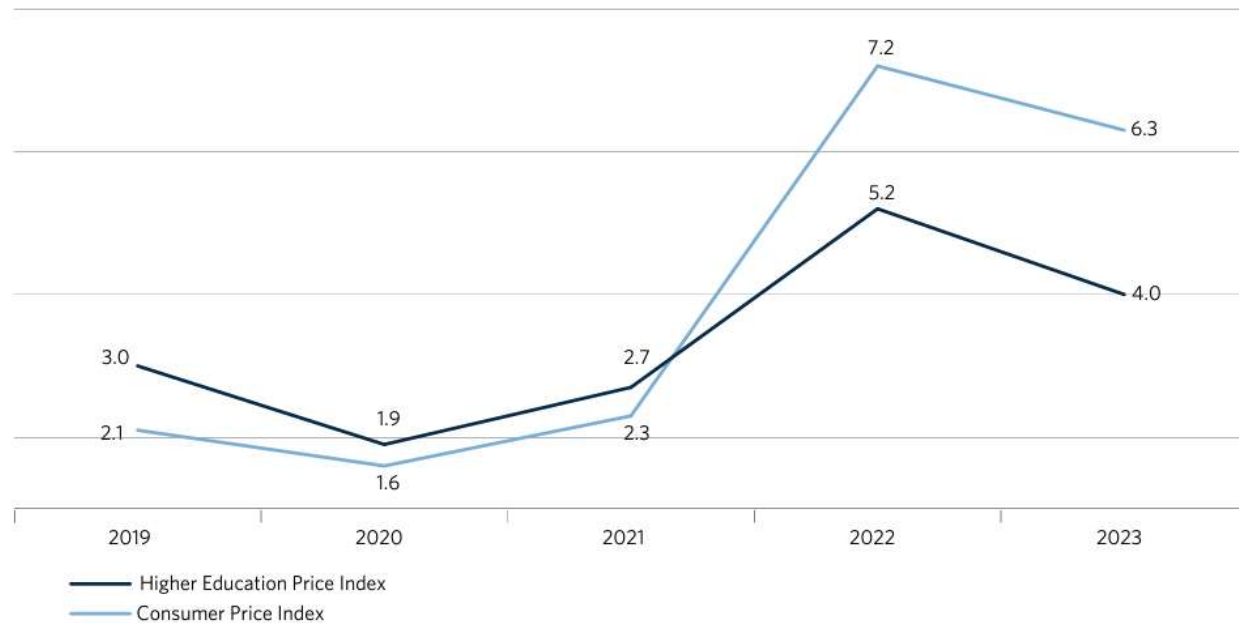
Interpreting the Data

An important note on interpretation:

- In recent years, the higher education sector has **experienced significant budgetary pressure from inflation**
- As such, **increases in the components of total cost due to inflation over this period are expected**
- The General Assembly acknowledged this pressure by **appropriating \$35.8 million to address inflation at KY institutions** in the 2024-2026 biennial budget bill (HB 6)

THE HIGHER EDUCATION PRICE INDEX VERSUS THE CONSUMER PRICE INDEX

Fiscal years 2019 - 2023 | Numbers in percent



Source: Commonfund Higher Education Price Index: 2023 Update

IPEDS Data Definitions

Institutions may have different methodologies for calculating these elements

- **Total price for in-state students living on campus**

- Cost of attendance for full-time, first-time degree/certificate seeking in-state undergraduate students living on campus. It includes in-state tuition and fees, books and supplies, on campus room and board, and other on campus expenses.

- **Published in-state tuition and fees**

- Price of attendance for full-time, first-time undergraduate students for the full academic year. The tuition charged by institutions to those students who meet the state's or institution's residency requirements. Tuition is the amount of money charged to students for instructional services. Tuition may be charged per term, per course, or per credit. Required fees are fixed sum charged to students for items not covered by tuition and required of such a large proportion of all students that the student who does NOT pay the charge is an exception.

- ★• **Books and supplies**

- The average cost of books and supplies for a typical student for an entire academic year (or program). Do not include unusual costs for special groups of students (e.g., engineering or art majors), unless they constitute the majority of students at your institution

- ★• **On campus, room and board (i.e., food and housing)**

- Room consists of charges for an academic year for rooming accommodations for a typical student sharing a room with one other student. Board consists of charges for an academic year for meals, for a specified number of meals per week.

- ★• **On campus, other expenses**

- The amount of money (estimated by the financial aid office) needed by a student to cover expenses such as laundry, transportation, entertainment, and furnishings.

Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved April 10, 2024.

University of Kentucky

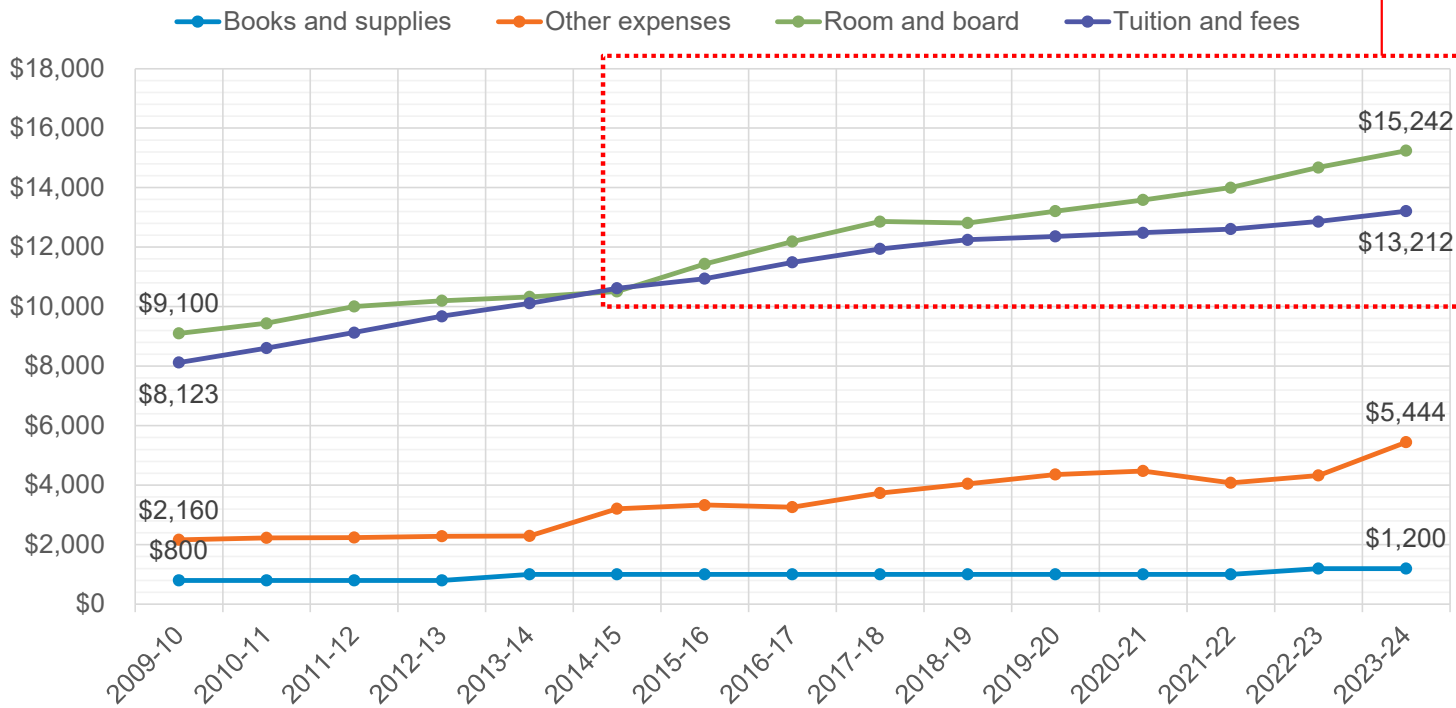
Public Universities

University of Kentucky

Acceleration in room and board prices relative to tuition and fees; consistent with residence hall construction (i.e., addition of 6,800 beds across 14 residence halls) and inflation

Components of Total Price

In-state students living on campus



Percent Change from 2009-10:

- *Tuition and fees*
 - 62.6%
 - CAGR: 3.5%
- *Room and board*
 - 67.5%
 - CAGR: 3.8%
- *Other expenses*
 - 152.0%
 - CAGR: 6.8%
- *Books and supplies*
 - 50.0%
 - CAGR: 2.9%

CAGR = Compound Annual Growth Rate

Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.

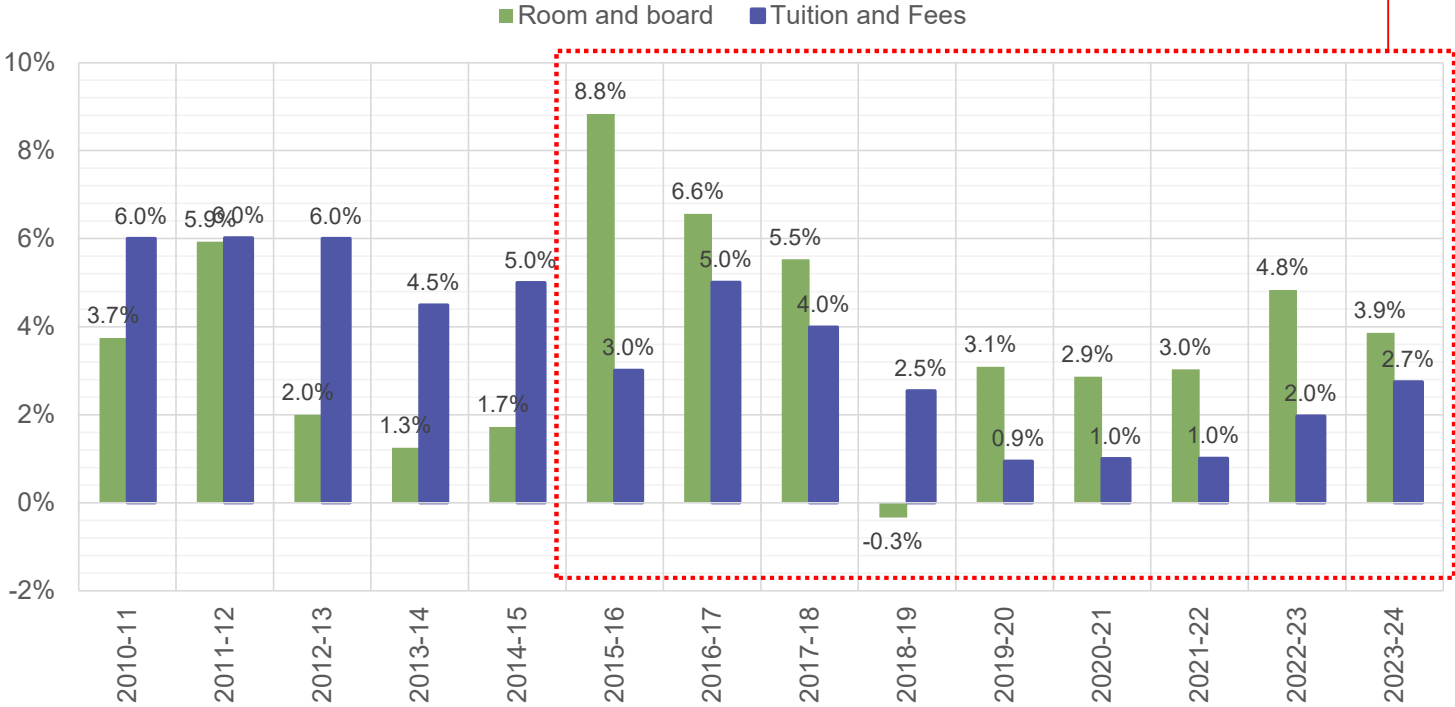
Kentucky Council on Postsecondary Education

Public Universities

University of Kentucky

Some acceleration in room and board prices relative to tuition and fees; consistent with residence hall construction (i.e., addition of 6,800 beds across 14 residence halls) and inflation

Year-Over-Year % Change in Room and Board and Tuition and Fees
In-state students living on campus

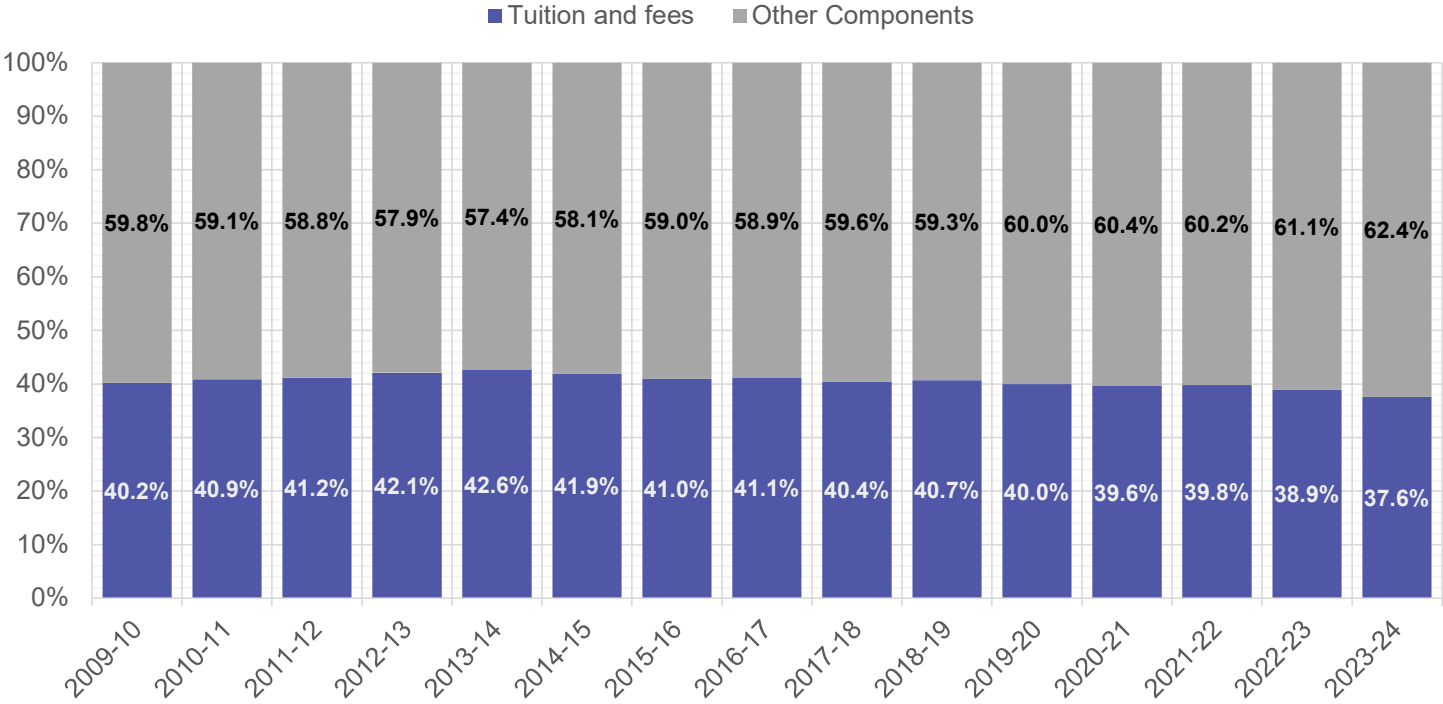


Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved April 5, 2024.

Public Universities

University of Kentucky

Tuition and Fees as a Percent of Total Price
In-state students living on campus



- As a percent of total price, tuition and fees have remained relatively stable
- However, since peaking in 2013-14, the share attributed to tuition and fees has gradually declined and is at its lowest point in 2023-24

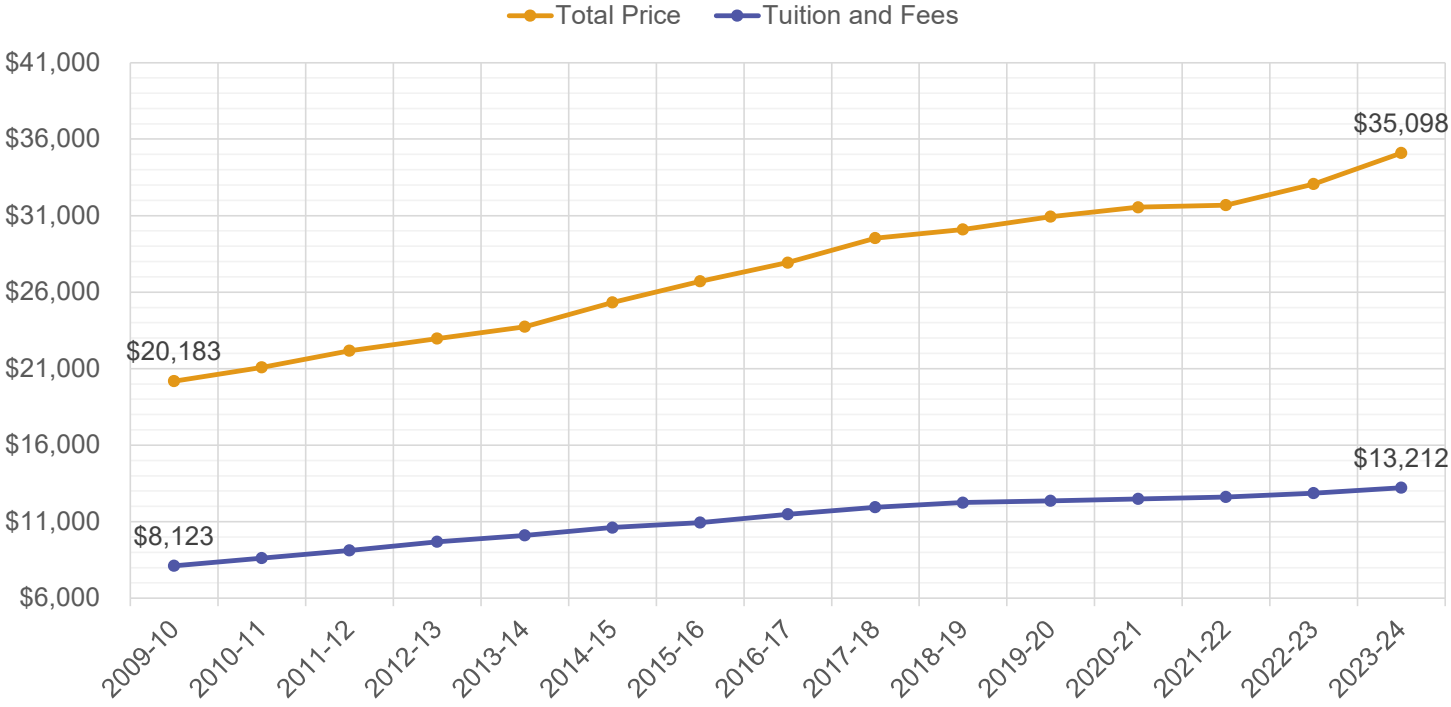
Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.

Public Universities

University of Kentucky

Total Price vs. Tuition and Fees

In-state students living on campus



Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.

University of Louisville

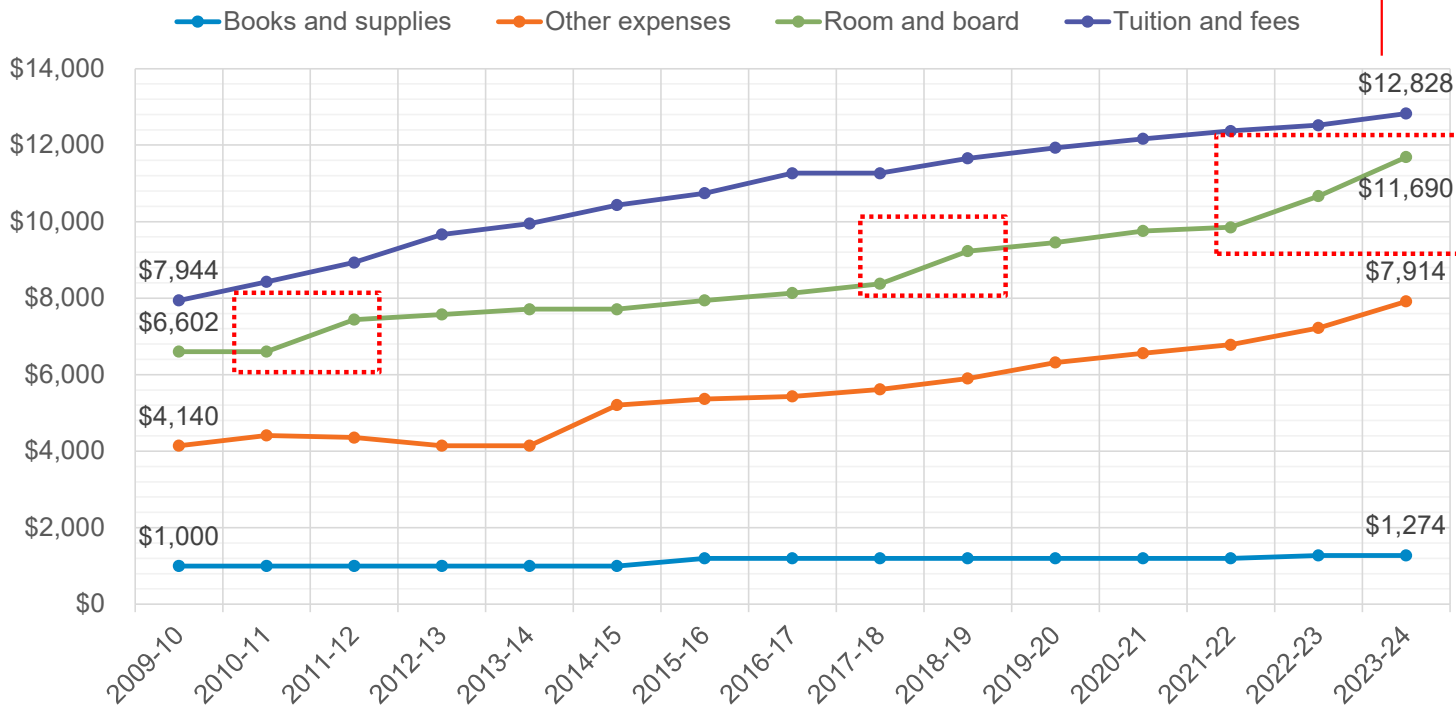
Public Universities

University of Louisville

Recent acceleration in room and board; Periodic large increases in room and board

Components of Total Price

In-state students living on campus



Percent Change from 2009-10:

- *Tuition and fees*
 - 61.5%
 - CAGR: 3.5%
- *Room and board*
 - 77.1%
 - CAGR: 4.2%
- *Other expenses*
 - 91.2%
 - CAGR: 4.7%
- *Books and supplies*
 - 27.4%
 - CAGR: 1.7%

CAGR = Compound Annual Growth Rate

Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.

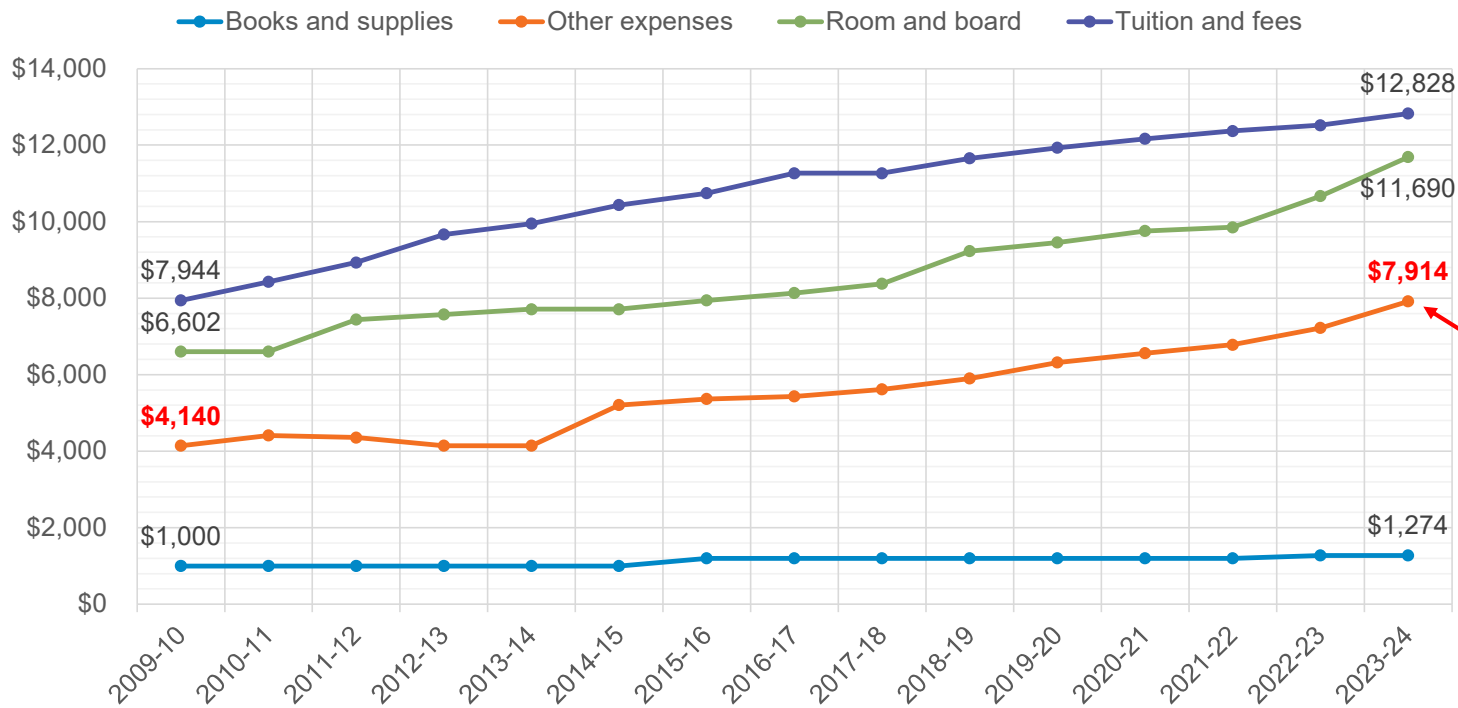
Kentucky Council on Postsecondary Education

Public Universities

University of Louisville

Components of Total Price

In-state students living on campus



UofL's "Other expenses" are consistently higher than other KY universities

Campus Staff Explanation:

- Institutions are allowed to use **different methods for calculating this amount**
- To ensure uniform reporting, CPE or the U.S. Department of Education would have to standardize this element
- A more "realistic" cost of attendance **makes students eligible for more student-friendly low-interest loans**
- Artificially low amounts can make a university appear favorably to prospective students but **underestimating "other expenses" ultimately hurts students**

Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.

Kentucky Council on Postsecondary Education

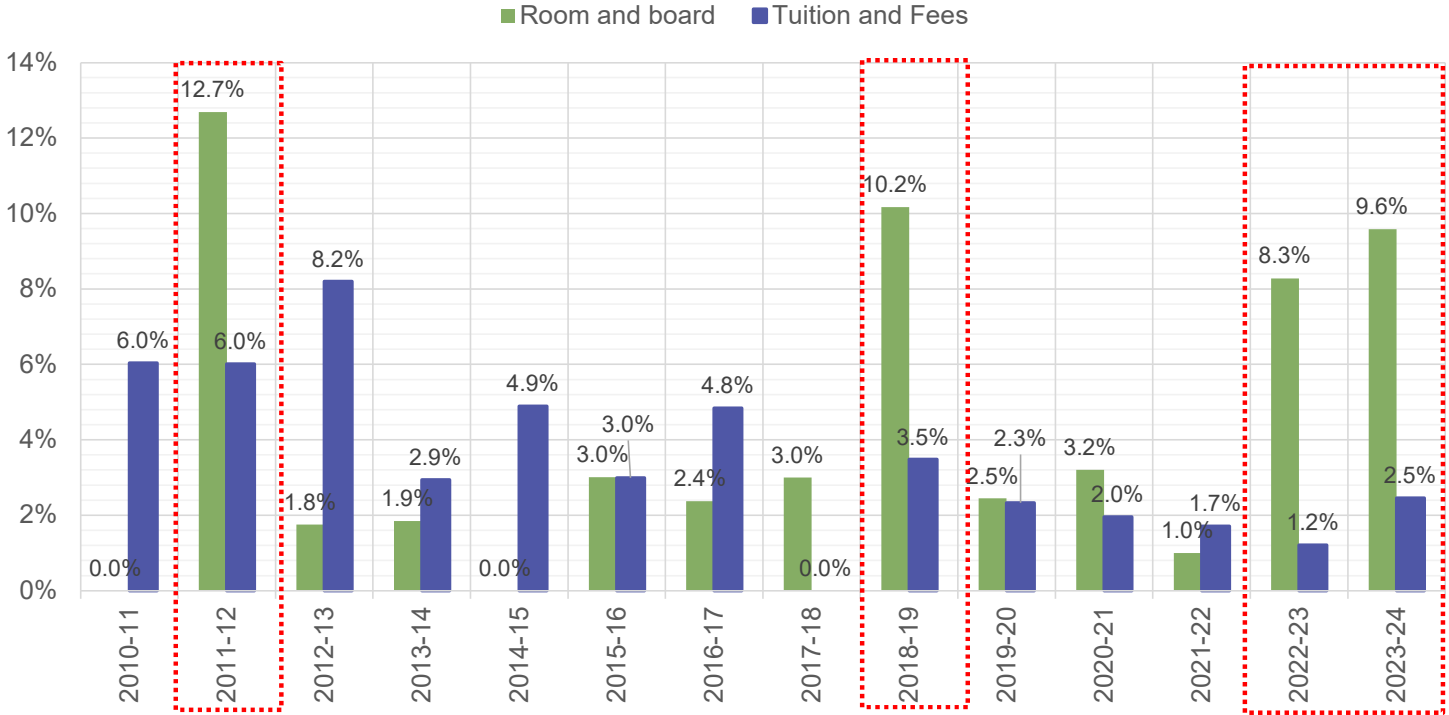
Public Universities

University of Louisville

Recent acceleration in room and board; Periodic large increases in room and board

Year-Over-Year % Change in Room and Board and Tuition and Fees

In-state students living on campus



Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.

Eastern Kentucky University

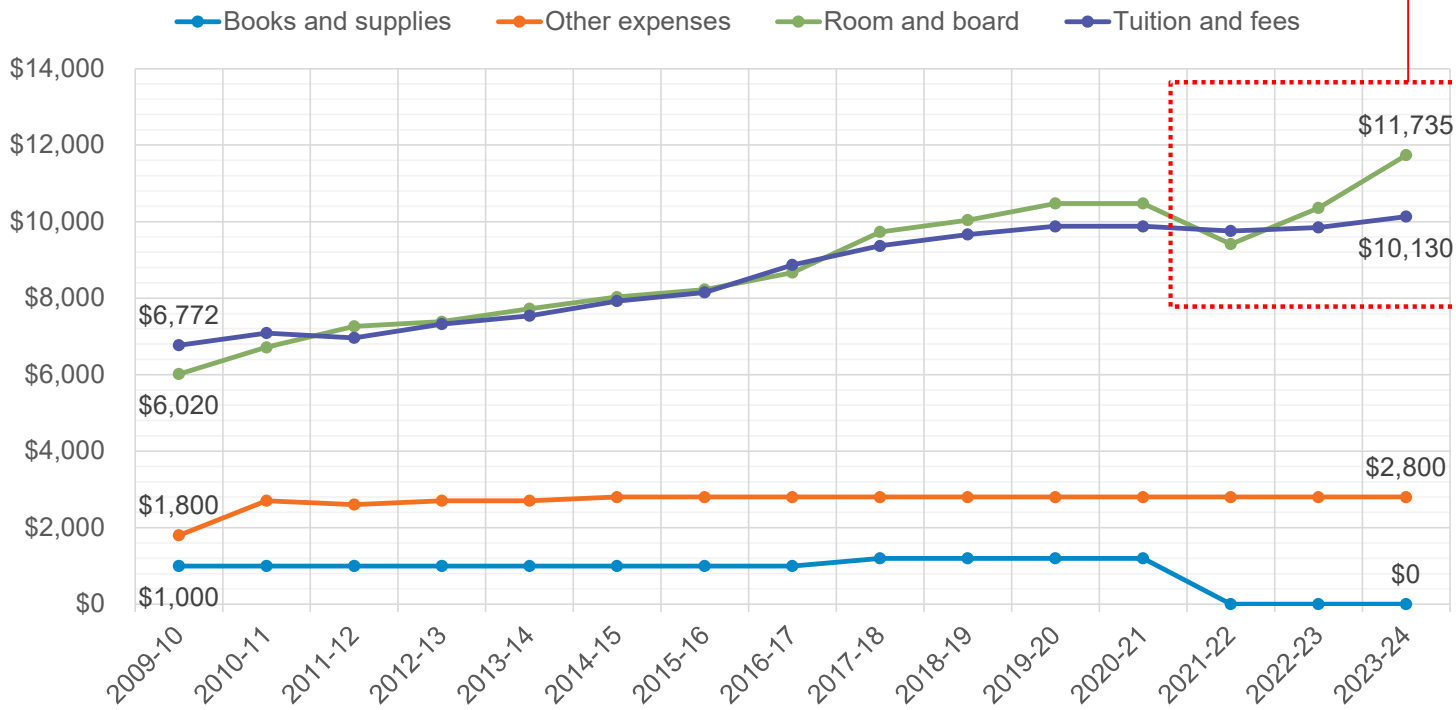
Public Universities

Eastern Kentucky University

Room and board jumped in 2022-23 and 2023-24; EKU's BookSmart program has had a positive impact

Components of Total Price

In-state students living on campus



Percent Change from 2009-10:

- *Tuition and fees*
 - 49.6%
 - CAGR: 2.9%
- *Room and board*
 - 94.9%
 - CAGR: 4.9%
- *Other expenses*
 - 55.6%
 - CAGR: 3.2%
- *Books and supplies*
 - -100.0%
 - CAGR: -100.0%

CAGR = Compound Annual Growth Rate

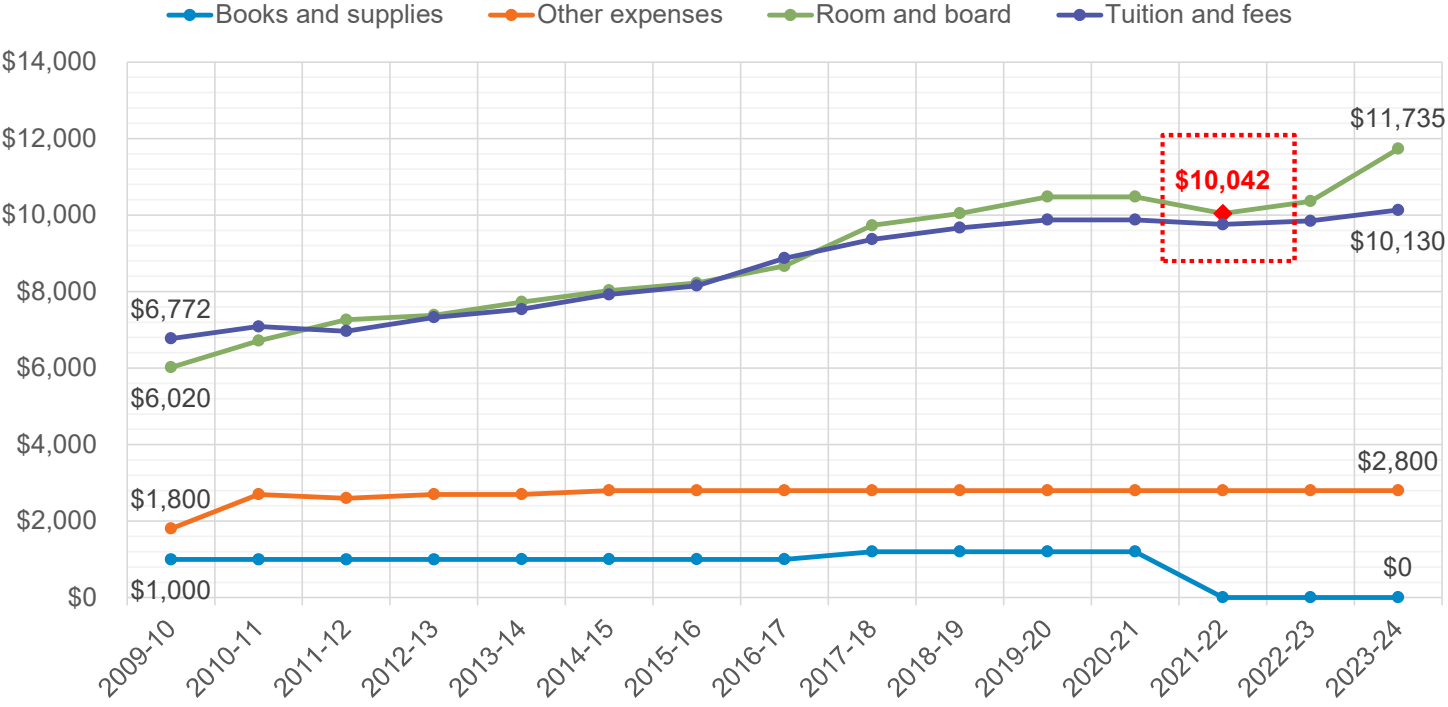
Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.

Kentucky Council on Postsecondary Education

Public Universities

Eastern Kentucky University

Components of Total Price
In-state students living on campus



EKU officials indicated the dip in room and board in 2021-22 was because a different methodology was used; the chart below shows the corrected rate at \$10,042

Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 10, 2024.
Kentucky Council on Postsecondary Education

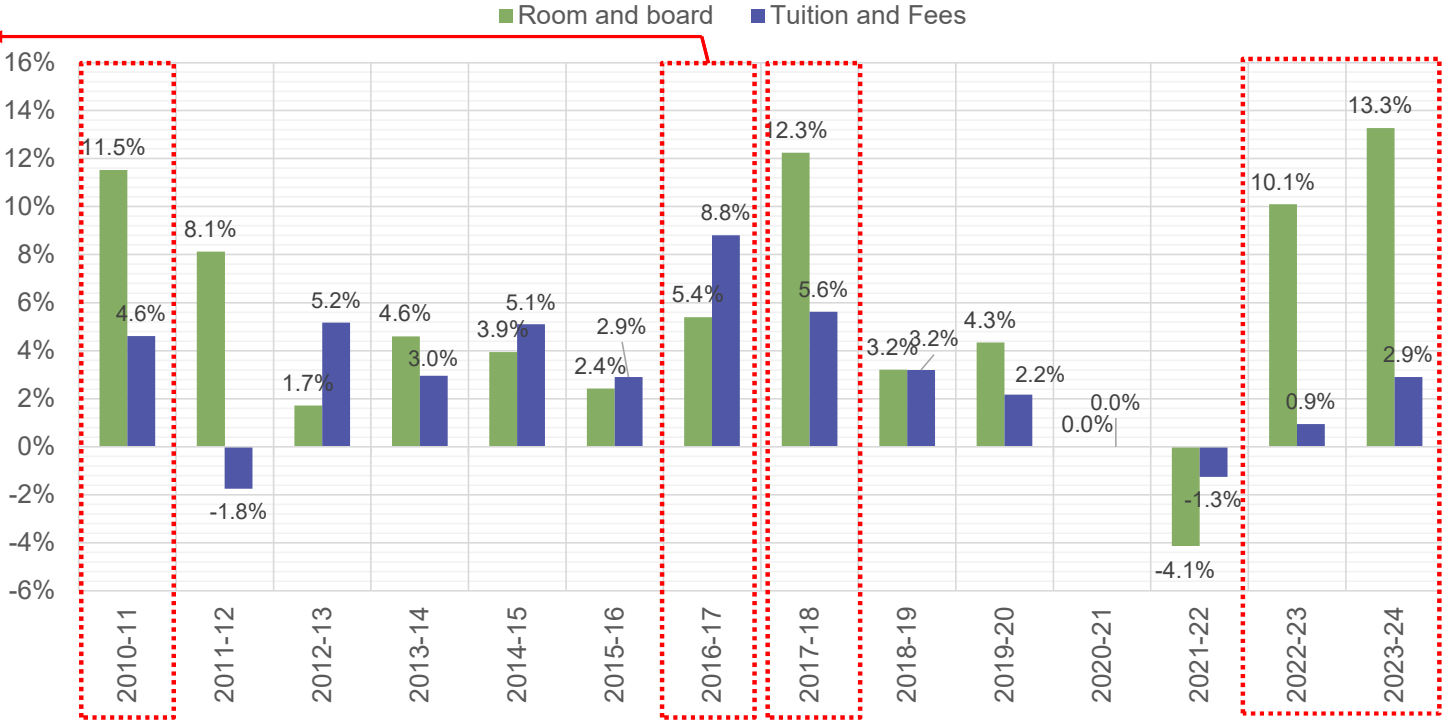
Public Universities

Eastern Kentucky University

Room and board has occasionally increased by more than 10%, including 2022-23 and 2023-24

EKU instituted a Special Use Fee of \$300 per year in 2015-16 which was not included in their IPEDS data and resulted in the 8.8% year-over-year change in tuition and fees

Year-Over-Year % Change in Room and Board and Tuition and Fees
In-state students living on campus



Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 10, 2024.

Kentucky State University

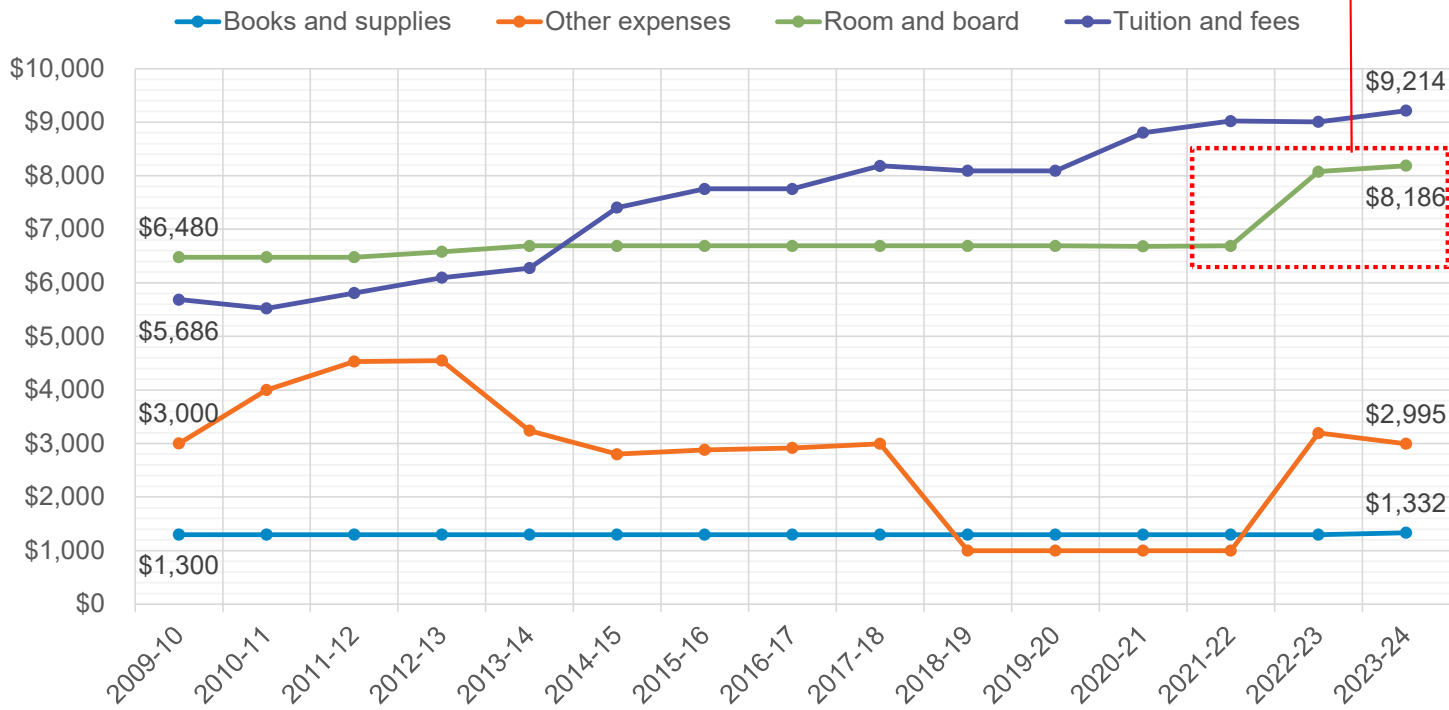
Public Universities

Kentucky State University

Room and board rates are increasing because they were much lower than those at the other comprehensive universities, coinciding also with the opening of their new residence hall

Components of Total Price

In-state students living on campus



Percent Change from 2009-10:

- *Tuition and fees*
 - 62.0%
 - CAGR: 3.5%
- *Room and board*
 - 26.3%
 - CAGR: 1.7%
- *Other expenses*
 - -0.2%
 - CAGR: 0.0%
- *Books and supplies*
 - 2.5%
 - CAGR: 0.2%

CAGR = Compound Annual Growth Rate

Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 10, 2024.

Kentucky Council on Postsecondary Education

Public Universities

Kentucky State University

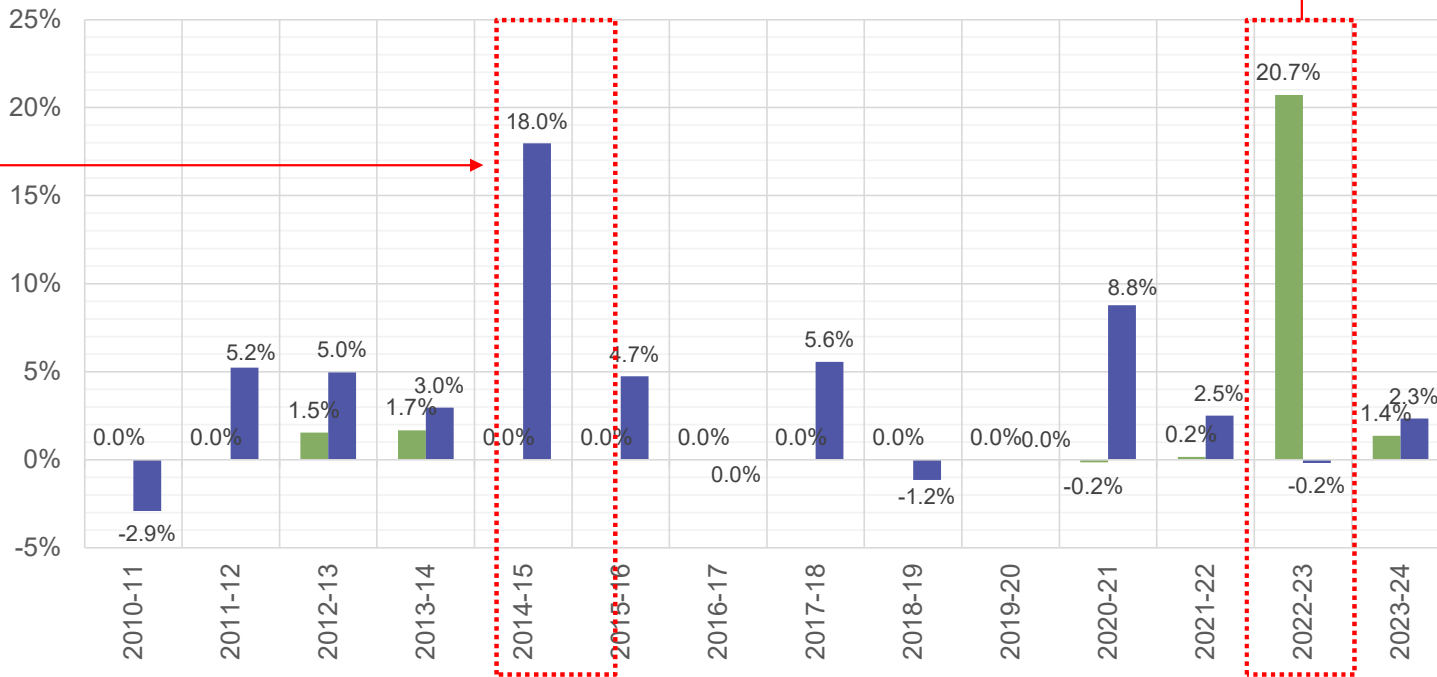
Room and board rates are increasing because they were much lower than those at the other comprehensive universities, coinciding also with the opening of their new residence hall

KSU transitioned from per-credit-hour pricing structure to a flat-rate pricing structure between 2013-14 and 2014-15 which resulted in a weighted average rate increase of 5% for all resident undergraduate students

Year-Over-Year % Change in Room and Board and Tuition and Fees

In-state students living on campus

■ Room and board ■ Tuition and Fees



Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.

Morehead State University

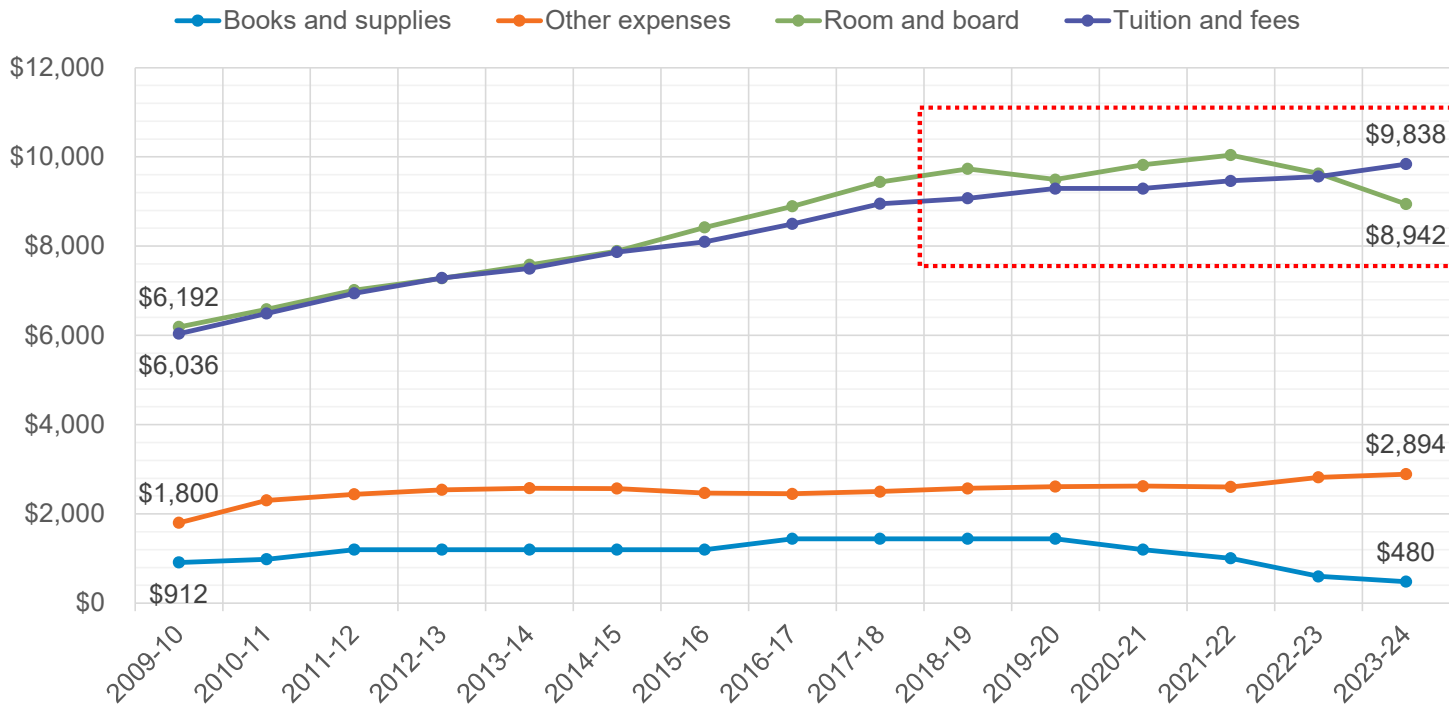
Public Universities

Morehead State University

Room and board rates closely follow tuition and fees, remain relatively flat, and then decline due to a change in methodology; books and supplies are decreasing

Components of Total Price

In-state students living on campus



Percent Change from 2009-10:

- *Tuition and fees*
 - 63.0%
 - CAGR: 3.6%
- *Room and board*
 - 44.4%
 - CAGR: 2.7%
- *Other expenses*
 - 60.8%
 - CAGR: 3.4%
- *Books and supplies*
 - -47.4%
 - CAGR: -4.5%

CAGR = Compound Annual Growth Rate

Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.

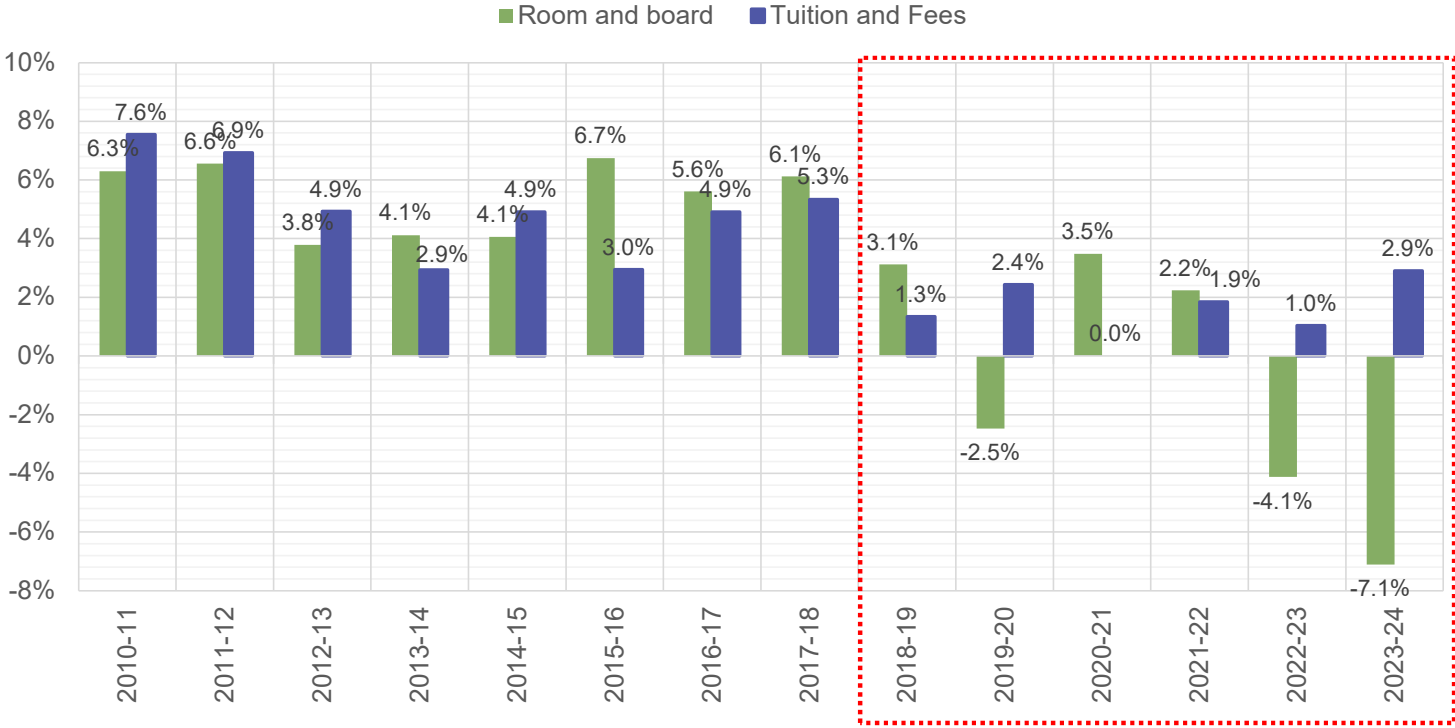
Kentucky Council on Postsecondary Education

Public Universities

Morehead State University

Room and board rates closely follow tuition and fees, remain relatively flat, and then decline due to a change in methodology

Year-Over-Year % Change in Room and Board and Tuition and Fees
In-state students living on campus



Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.

Murray State University

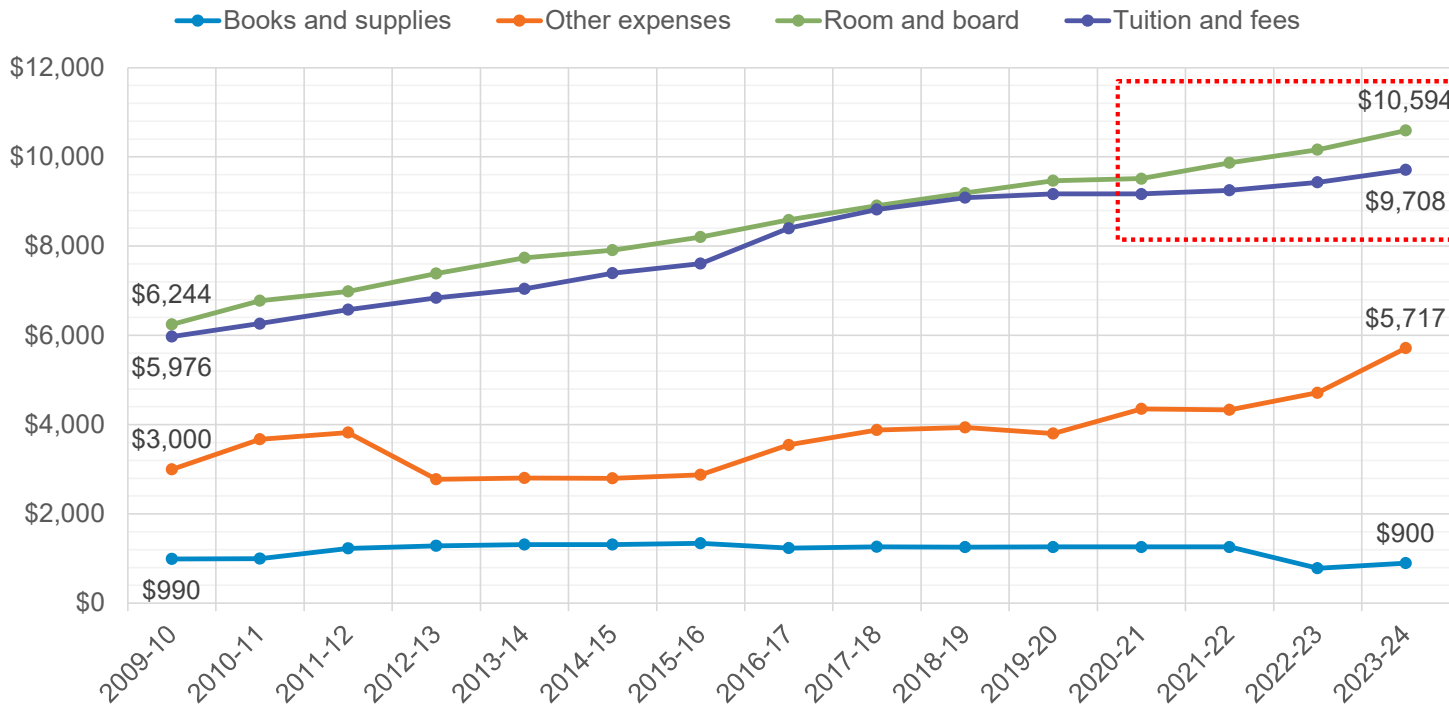
Public Universities

Murray State University

Room and board rates have closely followed tuition and fees, and have increased the past 3 years consistent with inflation; books and supplies are decreasing; other expenses is elevated compared to other universities

Components of Total Price

In-state students living on campus



Percent Change from 2009-10:

- *Tuition and fees*
 - 62.4%
 - CAGR: 3.5%
- *Room and board*
 - 69.7%
 - CAGR: 3.8%
- *Other expenses*
 - 90.6%
 - CAGR: 4.7%
- *Books and supplies*
 - -9.1%
 - CAGR: -0.7%

CAGR = Compound Annual Growth Rate

Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.

Kentucky Council on Postsecondary Education

Public Universities

Murray State University

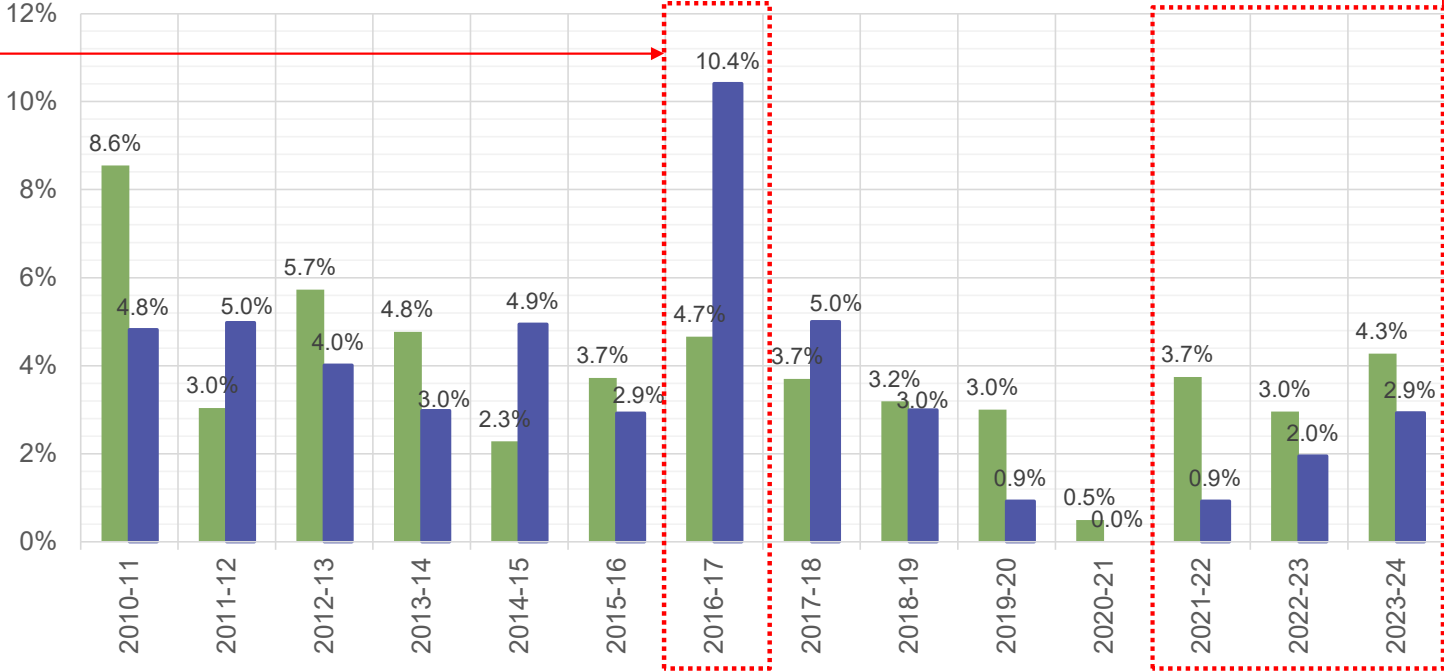
Room and board rates have closely followed tuition and fees, but have accelerated the past 3 years consistent with inflation

Year-Over-Year % Change in Room and Board and Tuition and Fees

In-state students living on campus

■ Room and board ■ Tuition and Fees

MUSU implemented a new tuition and scholarship model in this year



Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.

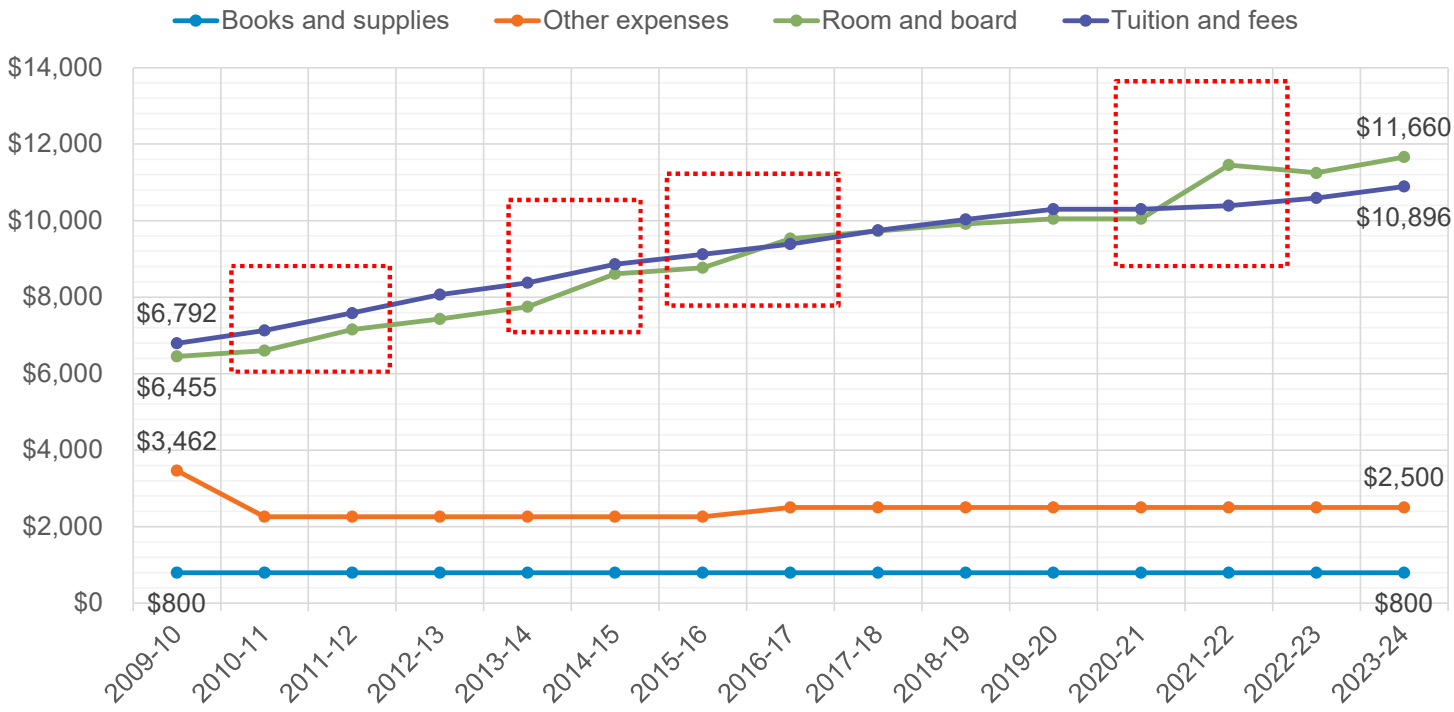
Northern Kentucky University

Public Universities

Northern Kentucky University

Periodic large increases in room and board rates, particularly in 2021-22

Components of Total Price
In-state students living on campus



Percent Change from 2009-10:

- *Tuition and fees*
 - 60.4%
 - CAGR: 3.4%
- *Room and board*
 - 80.6%
 - CAGR: 4.3%
- *Other expenses*
 - -27.8%
 - CAGR: -2.3%
- *Books and supplies*
 - 0.0%
 - CAGR: 0.0%

CAGR = Compound Annual Growth Rate

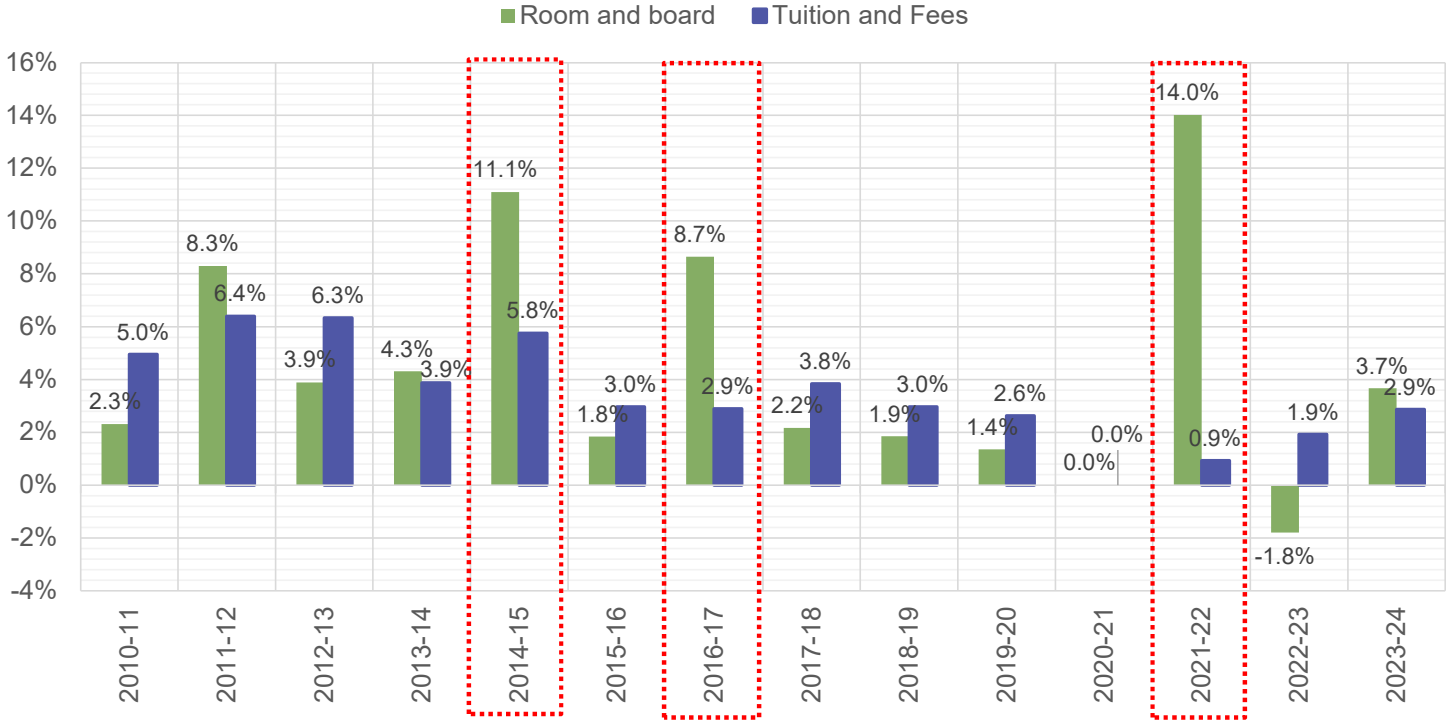
Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.
Kentucky Council on Postsecondary Education

Public Universities

Northern Kentucky University

Periodic large increases in room and board rates, particularly in 2021-22

Year-Over-Year % Change in Room and Board and Tuition and Fees
In-state students living on campus



Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.

Western Kentucky University

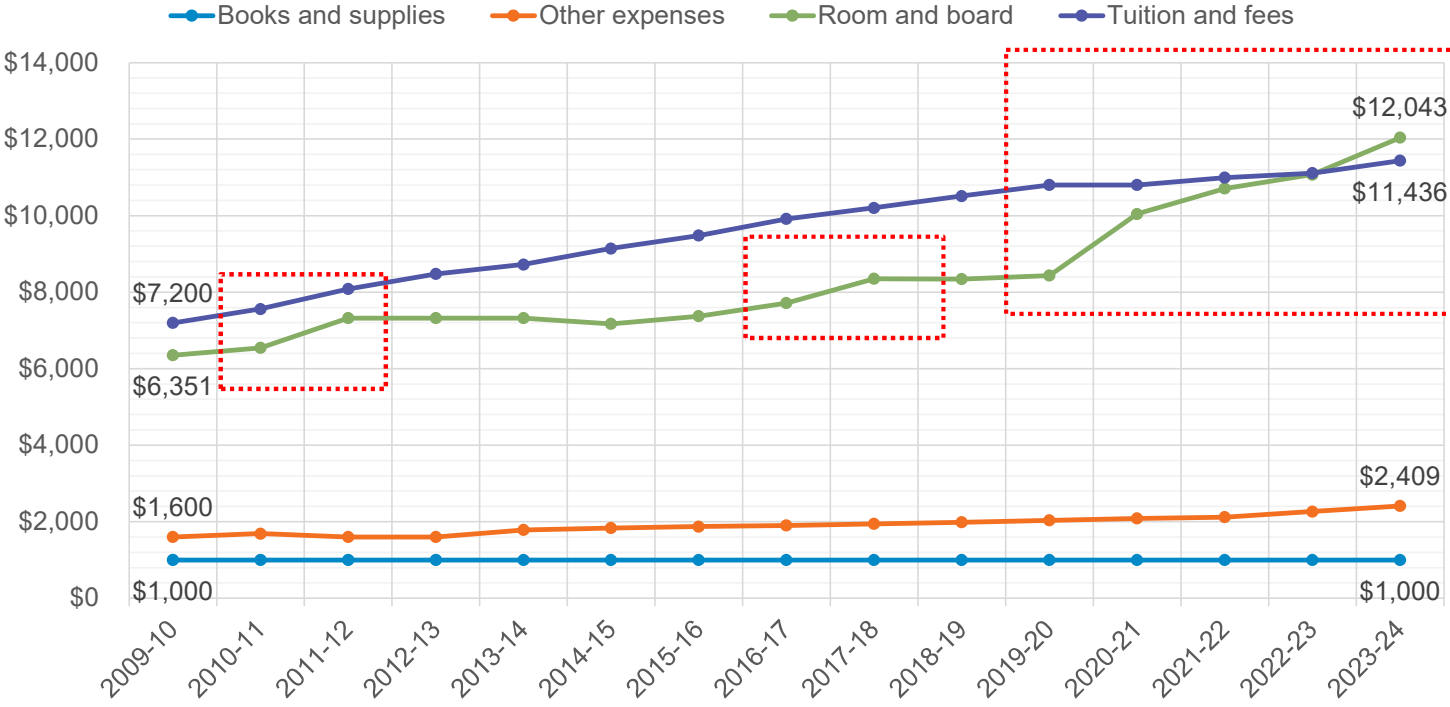
Public Universities

Western Kentucky University

Large increases in room and board rates explained by WKU as a change in methodology; periodic larger increases in room and board

Components of Total Price

In-state students living on campus



Percent Change from 2009-10:

- *Tuition and fees*
 - 58.8%
 - CAGR: 3.4%
- *Room and board*
 - 89.6%
 - CAGR: 4.7%
- *Other expenses*
 - 50.6%
 - CAGR: 3.0%
- *Books and supplies*
 - 0.0%
 - CAGR: 0.0%

CAGR = Compound Annual Growth Rate

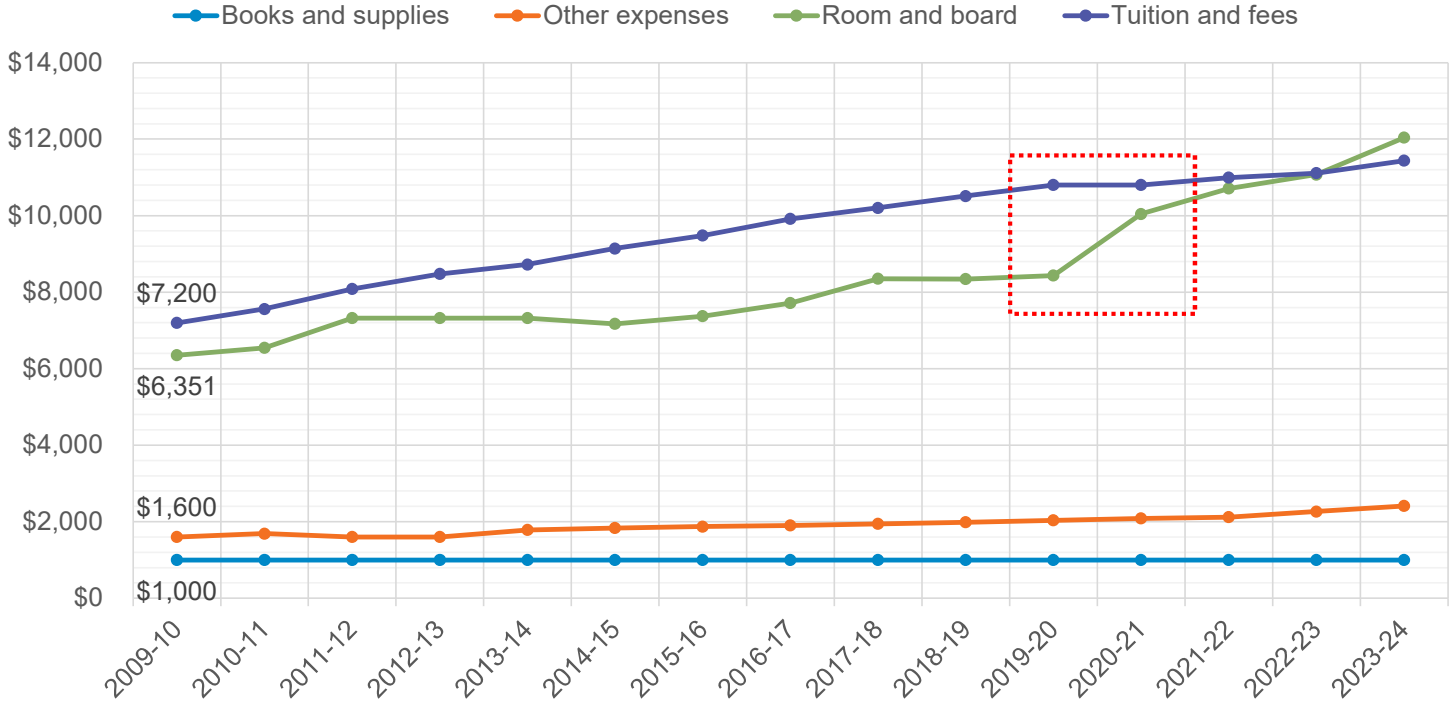
Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.
 Kentucky Council on Postsecondary Education

Public Universities

Western Kentucky University

Components of Total Price

In-state students living on campus



Explaining recent increases in room and board rates at WKU:

Campus Staff Explanation:

- The % change from 2019-20 to 2020-21 is due to a change in methodology for calculating room and board rates
- From 2009-10 to 2019-20, the institution used a relatively lower priced meal plan and room rate
- Since 2020-21, the average meal plan and room rate is used.
- Using a consistent methodology, the increase in room and board from 2019-20 to 2020-21 was ~5% for residence halls and 3.5% for meal plans, as opposed to 19.1%

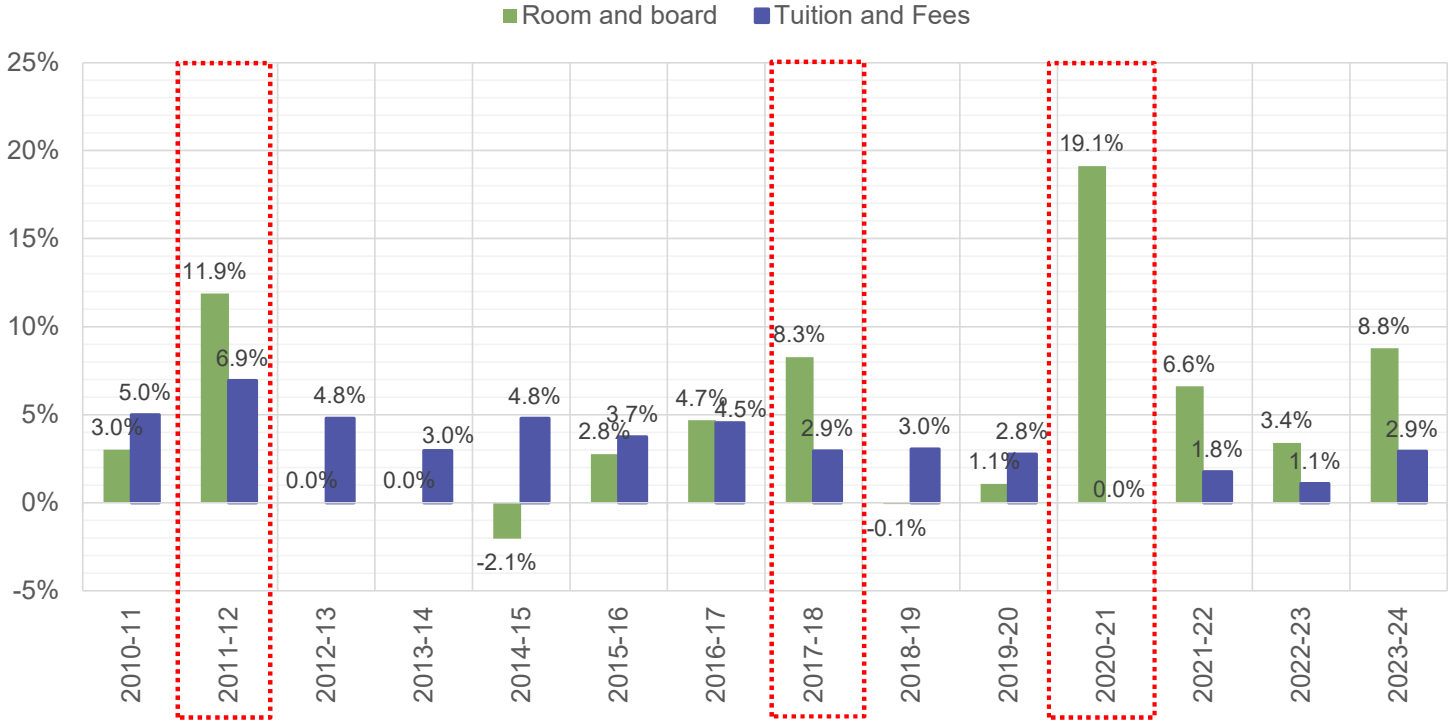
Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.

Public Universities

Western Kentucky University

Large 2020-21 increase in room and board rate explained by WKU as a change in calculation methodology; periodic large increases in room and board

Year-Over-Year % Change in Room and Board and Tuition and Fees
In-state students living on campus

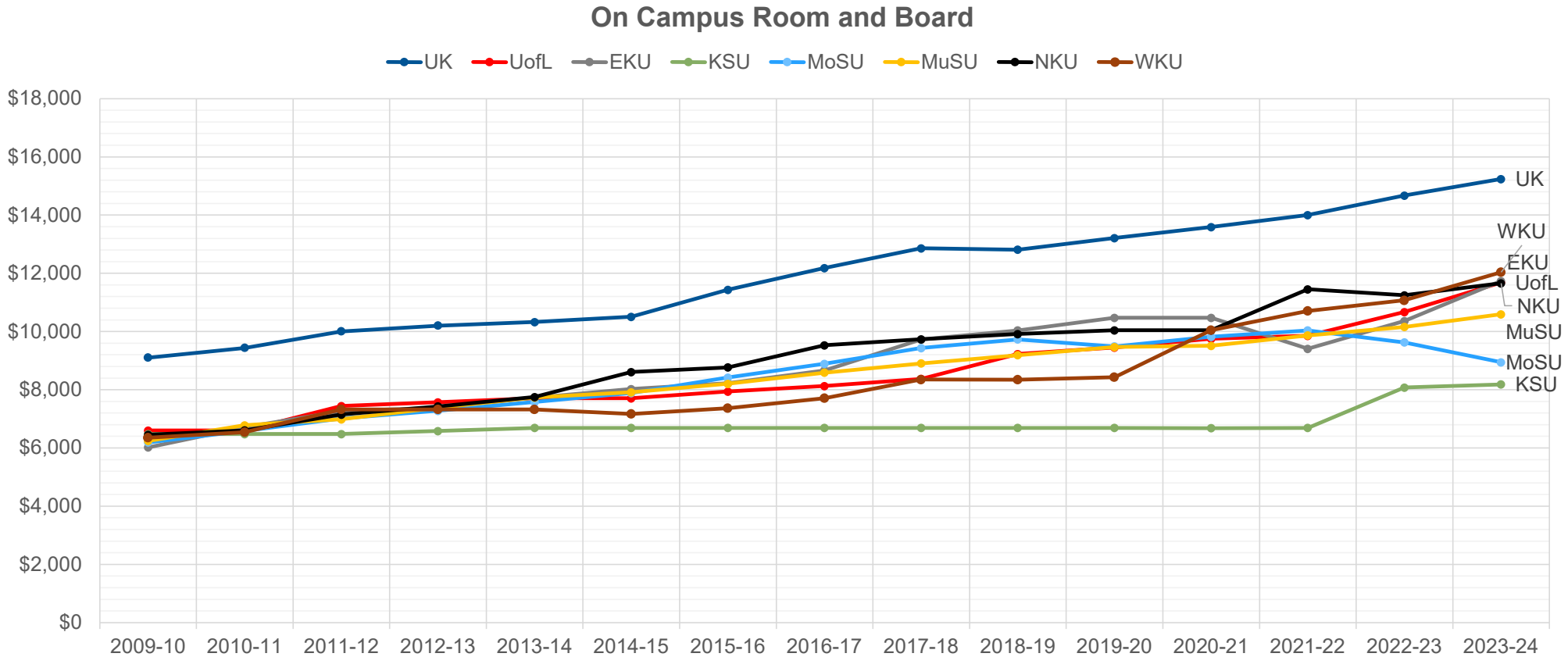


Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.

University Comparisons

University Comparisons

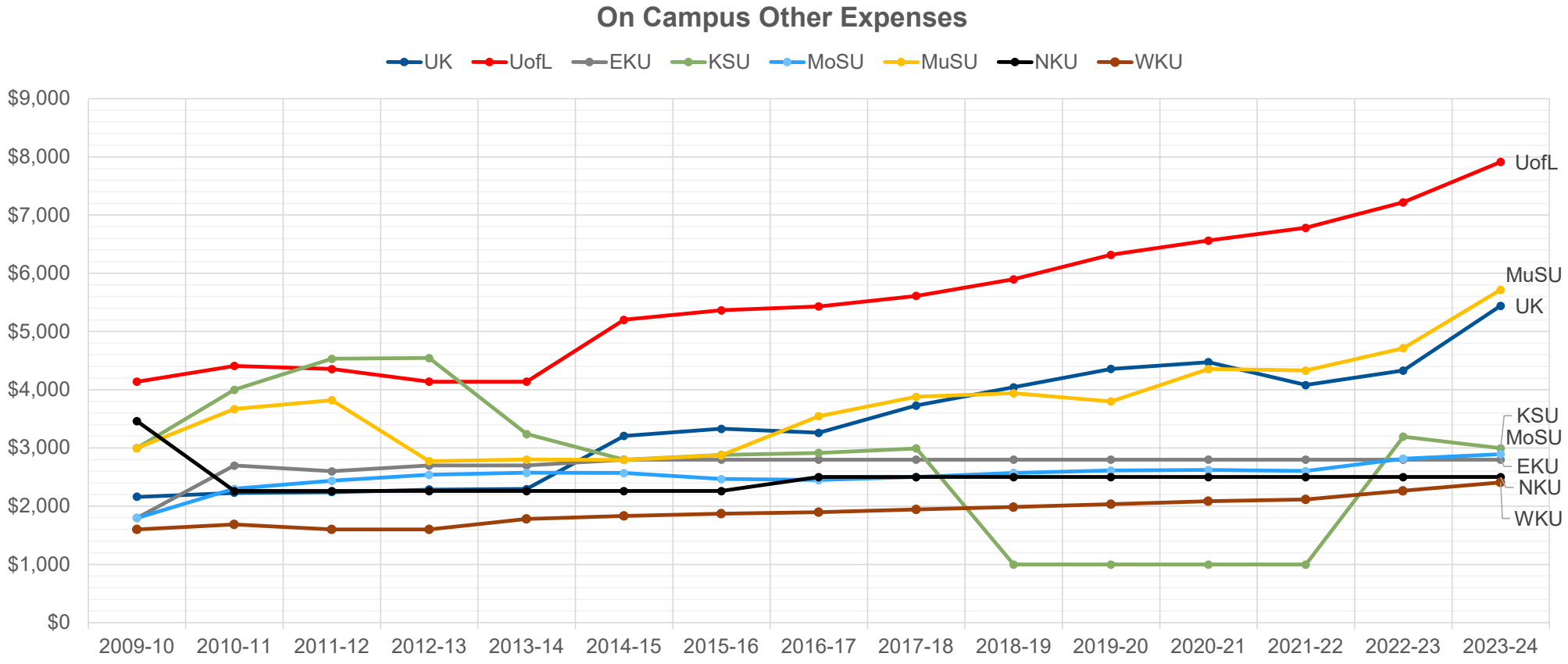
Room and Board



Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.
 Kentucky Council on Postsecondary Education

University Comparisons

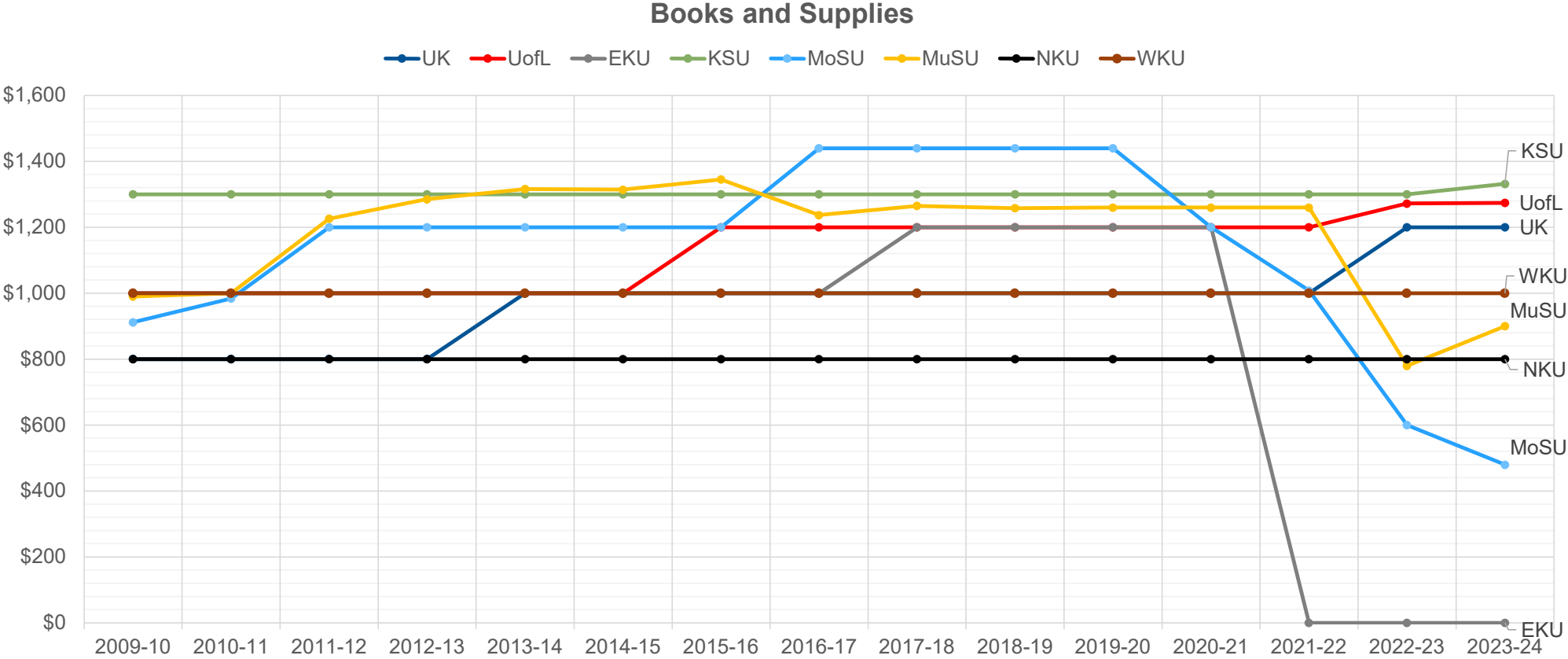
Other Expenses



Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.
 Kentucky Council on Postsecondary Education

University Comparisons

Books and Supplies



Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), retrieved October 31, 2024.

Key Takeaways

- **In general, room and board prices have not drastically outpaced growth in tuition and fees** since CPE began setting tuition and fee ceilings, **however, room and board rates at some institutions have been accelerating in recent years**
- **Room and board increases occur more sporadically than tuition and fees**, often aligned with the opening of new/improved residence halls and other auxiliary services
- **Universities serving rural areas, in particular, have made efforts to maintain affordability** as evidenced by (1) room and board increases closely tied to the Council's historically low tuition and fee increases, (2) decelerating room and board increases, and (3) reductions in the cost of books and supplies
- **Data reported to IPEDS by the institutions would benefit from using a standardized methodology** for calculating each cost component, which would result in greater comparability across institutions over time, particularly for room and board, other expenses, and books and supplies
- **Methodologies and the rationales for their use differ across universities when calculating the components of total price**, which can have a differential impact on current and prospective students