

# ISIC 8530 – Higher Education

## NAICS 611830 – Postsecondary Education

**Melanie Santiago**

Industry Pricing Branch Chief

Producer Price Index

U.S. Bureau of Labor Statistics

39<sup>th</sup> Voorburg Group Meeting  
September 22 – 26, 2025

*This presentation contains research materials and is released to inform interested parties of ongoing research and to encourage discussion of work in progress. Original analysis contained herein is presented for statistical purposes. Findings do not represent official BLS statistical products.*



# Agenda

- Background
- Industry definition
- Measurement of PPI
- Experimental index results
- Next steps



# Background

US PPI covers approximately 69% of the US Service Sector output

- Wholesale and retail trade
- Transportation and warehousing
- Information
- Health care
- Accommodations
- Finance and insurance
- Real estate brokering, rental, and leasing
- Professional, scientific, and technical services
- Administrative, support, and waste management services

No coverage for NAICS 61 – Educational Services

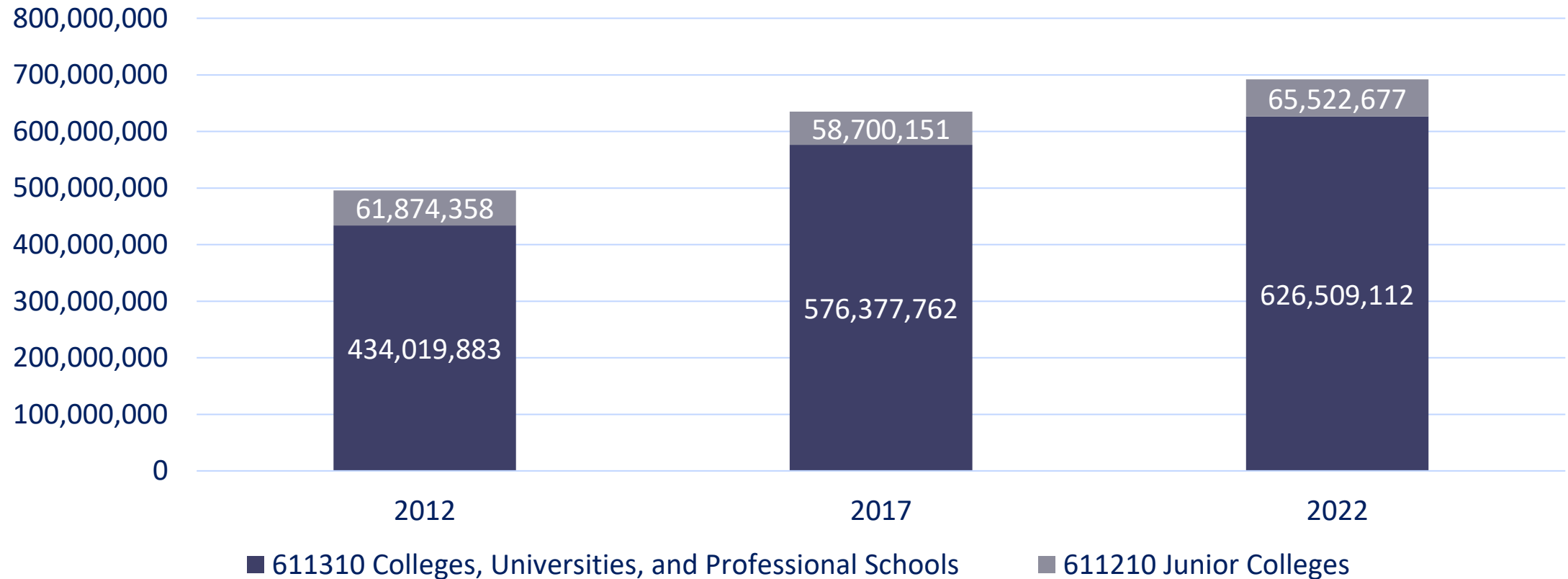
Limited resources for expanding

# Industry definition

ISIC Rev. 4	NAICS 2022
<b>8530 Higher Education</b>	<b>611210 Junior Colleges</b>
Includes the provision of post-secondary non-tertiary and tertiary education, including granting of degrees at baccalaureate, graduate or post-graduate level. The requirement for admission is at least a high school diploma or equivalent general academic training. Education can be provided in classrooms or through radio, television broadcast, Internet or correspondence.	Includes establishments primarily engaged in furnishing academic, or academic and technical, courses and granting associate degrees, certificates, or diplomas below the baccalaureate level. Includes both private (for-profit and not-for-profit) and public institutions offering diplomas and certificates below the baccalaureate level.
	<b>611310 Colleges, Universities, and Professional Schools</b>
	Includes establishments primarily engaged in furnishing academic courses and granting degrees at baccalaureate or graduate levels. Includes both private (for-profit and not-for-profit) and public institutions offering diplomas at the baccalaureate and graduate levels.

# Market conditions in the U.S.

U.S. Revenue by Industry (\$1,000)



Source: [Digest of Education Statistics](#) - tables [333.10](#), [333.40](#), and [333.55](#), US Dept of Education, National Center for Education Statistics



# Junior colleges

Major Service Lines	2022 Revenue (\$000s)	% of Industry Total
Industry total	65,522,677	100.0%
Tuition and fees (out of pocket)	10,339,011	15.8%
Federal appropriations, grants, and contracts	16,753,004	25.6%
State and local appropriations, grants, and contracts	32,050,216	48.9%
Private gifts, grants, and contracts	404,583	0.6%
Sales and services of educational activities	1,004,488	1.5%
Sales and services of auxiliary enterprises	937,940	1.4%
Hospital revenue*	-	0.0%
Investment return (gain or loss)	(426,751)	-0.7%
Other revenue**	4,460,187	6.8%

Source: [Digest of Education Statistics](#), National Center for Education Statistics (NCES)

\* Revenue captured in NAICS 622110 – General Medical and Surgical Hospitals

\*\* includes all revenue not reported elsewhere





# Colleges, universities, and professional schools

Major Service Lines	2022 Revenue (\$000s)	% of Industry Total
Industry total	626,509,112	100.0%
Tuition and fees (out of pocket)	168,016,430	26.8%
Federal appropriations, grants, and contracts	107,249,448	17.1%
State and local appropriations, grants, and contracts	87,547,888	14.0%
Private gifts, grants, and contracts	49,277,407	7.9%
Sales and services of educational activities	40,264,993	6.4%
Sales and services of auxiliary enterprises	45,948,888	7.3%
Hospital revenue*	112,242,422	17.9%
Investment return (gain or loss)	(38,100,582)	-6.1%
Other revenue**	54,062,220	8.6%

Source: [Digest of Education Statistics](#), National Center for Education Statistics (NCES)

\* Revenue captured in NAICS 622110 – General Medical and Surgical Hospitals

\*\* includes all revenue not reported elsewhere



# Product structure

## Postsecondary education

### 4-year colleges

### 2-year colleges

Tuition and fees

Room and auxiliary services

Tuition and fees

Public

Private

Public

Private

Public

Private

In-state

Out-of-  
state

Not-for  
profit

For-profit

Not-for-  
profit

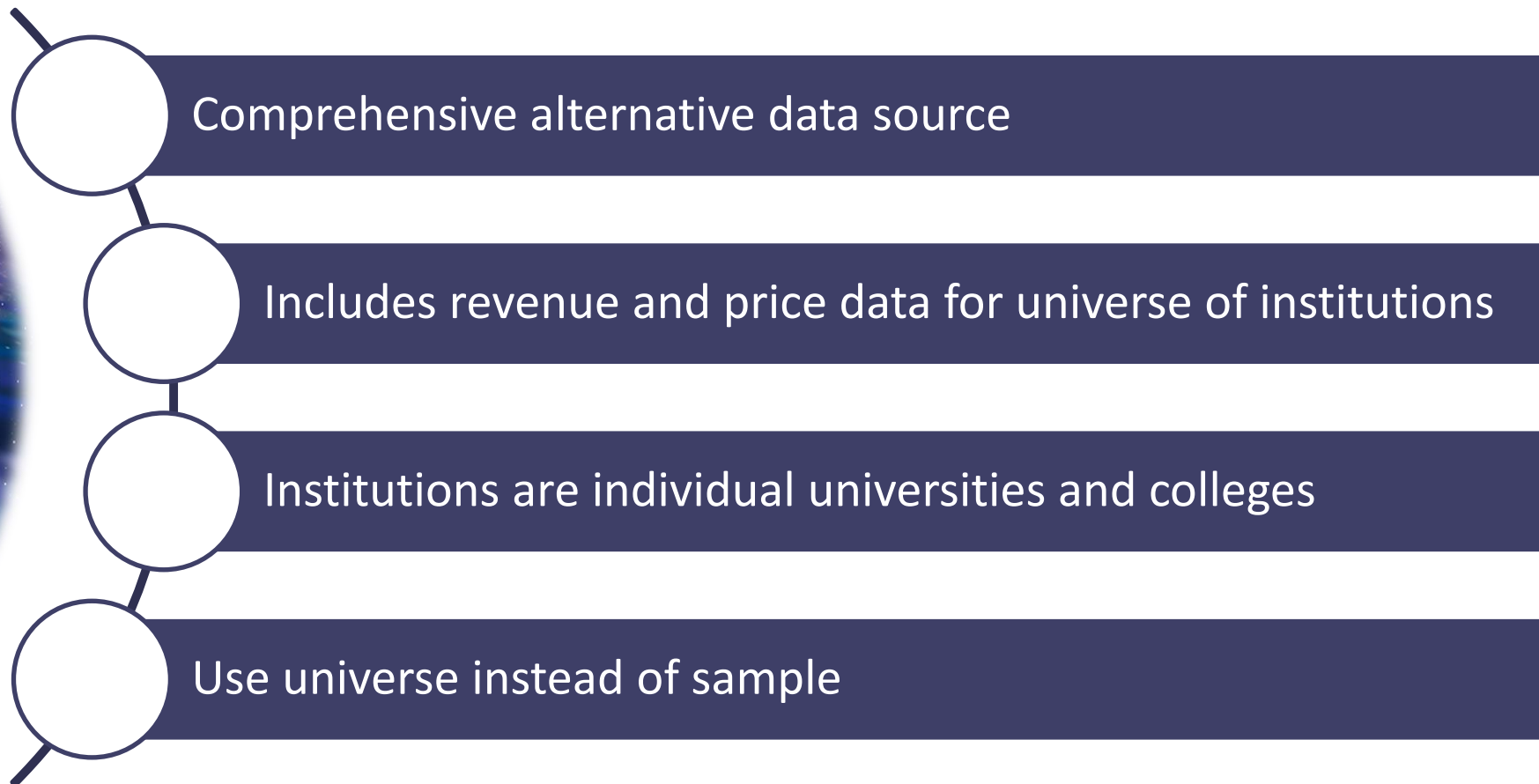
For-profit

Not-for-  
profit

For-profit



# Characteristics of data



# Price methodology challenges

## Multiple revenue sources

- Student payments
- Government appropriations and grants
- Sales of goods and other services

## Significant price discrimination

- Residency of student
- Financial aid
- Other discounts

# Price methodology: Unit value prices

- Unit of measure = Full-time equivalent (FTE) enrollment
- Average tuition and fees per FTE
  - ▶ Calculated differently for private versus public institutions
- Average auxiliary services fee, including room and board, per FTE



# Average tuition and fees per FTE



Includes:

- Tuition and fees (out-of-pocket)
- Government appropriations
- Government nonoperating grants
- Other educational activities revenue

# Tuition and fees example: Private institution

Revenue Component	Revenue per FTE
Out of pocket tuition and fees per FTE	\$ 26,377
Government appropriations per FTE	\$ 183
Government nonoperating grants per FTE	\$ 2,442
Other educational activities revenue per FTE	\$ 37
<b>Average tuition and fees per FTE</b>	<b>\$ 29,039</b>

# Tuition and fees at public institutions

## Tuition rates vary based on student residency

- State funding based on number of in-state students

## Prices calculated separately

- In-state price includes federal, state, and local government funds
- Out-of-state price includes only federal government funds

## Residency data available for first year students only

- Derive ratio of in-state to out-of-state using enrollment figures for the four most recent years

# Tuition and fees example: Public institution

## In-state example

Revenue Component	Revenue per FTE
Out of pocket tuition and fees per in-state FTE	\$ 12,007
Government appropriations per in-state FTE	\$ 12,481
Government nonoperating grants per in-state FTE	\$ 6,564
Other educational activities revenue per FTE	\$ 5,432
<b>Average tuition and fees per in-state FTE</b>	<b>\$ 36,484</b>

In-state: government revenue includes federal, state, and local

## Out-of-state example

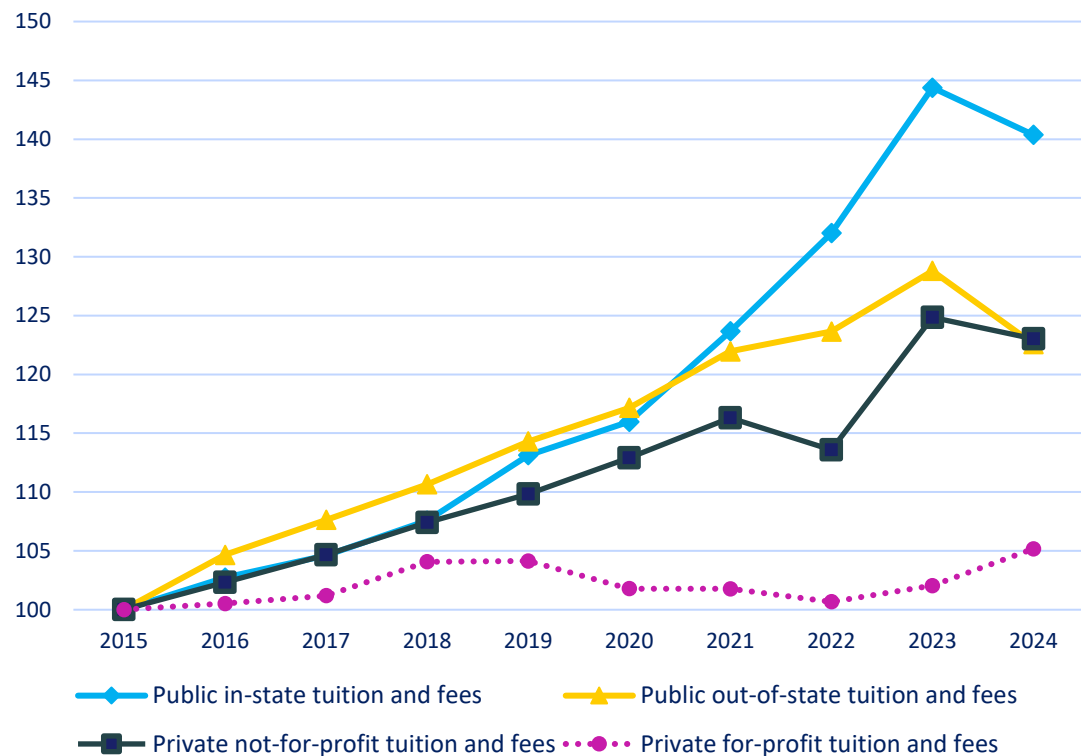
Revenue Component	Revenue per FTE
Out of pocket Tuition and fees per out-of-state FTE	\$ 29,480
Federal appropriations per out-of-state FTE	\$ 134
Fed nonoperating grants per out-of-state FTE	\$ 1,256
Other educational activities revenue per FTE	\$ 5,432
<b>Average tuition and fees per out-of-state FTE</b>	<b>\$ 36,301</b>

Out-of-state: government revenue includes federal; excludes state and local

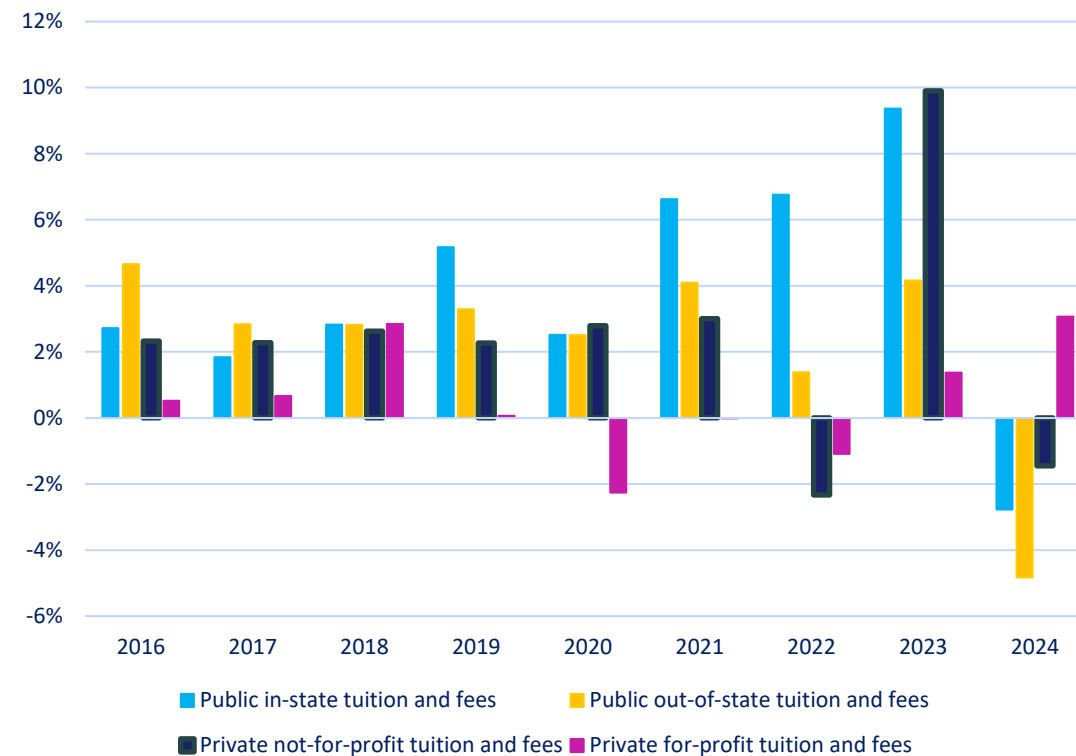


# Experimental index: Tuition and fees at 4-year institutions

4-year institutions - index movement



4-year institutions – % change



# Evaluation of measurement: Issues



Retaining access to alternative data source



Quality changes

In-person vs. virtual  
Student to teacher ratios



Annual prices reported on a one-year lag

# Contact Information

**Melanie Santiago**

Industry Pricing Branch Chief

Producer Price Index

U.S. Bureau of Labor Statistics

[www.bls.gov/ppi](http://www.bls.gov/ppi)

202-691-7844

[santiago.melanie@bls.gov](mailto:santiago.melanie@bls.gov)

