2021 Tuition Discounting Study
Highlights From the 2021 TDS

Conducted annually, the NACUBO Tuition Discounting Study (TDS) measures institutional tuition discount rates and other indicators of institutionally funded scholarships awarded to undergraduates attending private, nonprofit (independent) colleges and universities. This year’s study collected and analyzed data from 359 institutions.

KEY TERMS

- **The institutional tuition discount rate** measures the total institutional grant aid awarded to first-time undergraduates as a percentage of the gross tuition and fee revenue the institution would collect if all students paid the sticker price.

- **The student aid rate** calculates the average institutional aid award as a percentage of the average tuition and fee sticker price among students who receive grant aid.

1. **Average tuition discount rates continued to reach new highs in 2021-22.*

   **First-time Undergraduates**
   - 54.5%

   **All Undergraduates**
   - 49.0%

   Early projections suggest that the average tuition discount rate for first-time undergraduates rose to 54.5 percent in 2021-22,* up 9.7 percentage points from 2012-13.

2. **The share of students receiving grant aid stayed relatively flat in 2021-22.*

   **First-time Undergraduates**
   - 89.5%

   **All Undergraduates**
   - 82.5%

   Between 2020-21 and 2021-22,* roughly the same share of students received institutional grant aid—with 89.5 percent of first-time undergraduates receiving institutional aid in 2021-22.*

3. **On average, student aid rates rose in 2021-22.*

   **First-time Undergraduates**
   - 60.7%

   **All Undergraduates**
   - 55.7%

   The undergraduates who received aid were awarded larger grants than in previous years—covering an average of 60.7 percent of listed tuition and fees for first-time undergraduates.

*Data for 2021-22 are preliminary.

For more information about the 2021 NACUBO Tuition Discounting Study, including how to participate, visit nacubo.org/Research/2021/NACUBO-Tuition-Discounting-Study.
This year’s Tuition Discounting Study (TDS) collected and analyzed data that covered the COVID-19 pandemic. The pandemic is undoubtedly a contributing factor in the continuation of trends the TDS finds annually, but this year’s study does not measure the exact extent to which the pandemic influenced these statistics. Our analysis includes responses from 359 institutions.

4. After declining for several years, overall enrollment held relatively steady between 2020-21 and 2021-22.*

<table>
<thead>
<tr>
<th>First-time Undergraduates</th>
<th>All Undergraduates</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.1%</td>
<td>-0.1%</td>
</tr>
</tbody>
</table>

Enrollment gains among first-time undergraduates were offset by declining enrollment among other undergraduates between 2020-21 and 2021-22.*

5. Overall net tuition revenue per student rose slightly in 2021-22* but net revenue per first-time undergraduate fell.

<table>
<thead>
<tr>
<th>First-time Undergraduates</th>
<th>All Undergraduates</th>
</tr>
</thead>
<tbody>
<tr>
<td>-3.2%</td>
<td>0.6%</td>
</tr>
</tbody>
</table>

Between 2020-21 and 2021-22,* net tuition and fee revenue per first-time undergraduate fell by 3.2 percent, in inflation-adjusted dollars.

6. The majority of institutionally funded financial aid came from undedicated sources of revenue in 2020-21.

<table>
<thead>
<tr>
<th>Source</th>
<th>Selective/Highly Selective Institutions</th>
<th>All Institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other undedicated sources</td>
<td>44.8%</td>
<td>58.0%</td>
</tr>
<tr>
<td>Endowment earnings/withdrawals</td>
<td>9.9%</td>
<td></td>
</tr>
<tr>
<td>Institutional reserves</td>
<td>31.2%</td>
<td></td>
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<tr>
<td>Gifts/fundraising to annual funds</td>
<td>5.2%</td>
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</tbody>
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7. The median institutional discount rate for first-time undergraduates was lowest at selective/highly selective institutions.

The median institutional discount rate for first-time undergraduates in 2021-22* at selective/highly selective schools was 44.8 percent, compared to 58.0 percent for institutions overall.

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