Commonfund Higher Education Price Index

2021 Update

commonfund
INSTITUTE

Welcome

At this writing, in the waning moments of calendar 2021, inflation is a top-of-mind subject for individuals and institutions across the U.S. Long quiescent, inflation has trumpeted its return with some of the sharpest increases in the Consumer Price Index in decades. The measure of inflation we concern ourselves with in this report, the Higher Education Price Index (HEPI), is not yet reflecting this acceleration, even though year-over-year HEPI rose 42 percent from FY2020 to FY2021. Fortunately, the increase—to an annual rate of 2.7 percent—was measured off of last year's relatively mild 1.9 percent base.

This sea change in the inflationary environment means that HEPI data will be watched, warily, by the many stakeholders who make use of it in their institutional governance and management processes. Over the vast majority of years since 1961, when data compilation began, inflation measured by HEPI has exceeded the rate as measured by CPI. HEPI is not a predictive tool; thus, we are not forecasting future rates of change. But we do believe that inflation may once again take its place alongside portfolio performance and other key topics on the meeting agendas of investment committees and boards.

Given this circumstance, information is vital to informed decision-making. This is the role of HEPI—to provide reliable information and thoughtful analyses that are relevant to the unique challenges confronted by the higher education community. As we have seen over the years, those measures of the price increases borne by consumers are vastly different from those impacting the operating budgets of colleges and universities. This year's data show some of the largest components of HEPI to be stable this year compared with last; other components, however, are showing volatile year-over-year changes. All warrant consideration by trustees and staff charting a way forward for their institution.

As we did last year, we point out the change in the method by which data for faculty salaries and fringe benefits are calculated. This follows similar recalculations dating to 2015. Also, as we did in the past few reports, we are restating data for the preceding five years for purposes of consistency and comparability. Changes in the methodology should be viewed as refinements and the continuity of data gathering and analysis that dates to 1961 remains sound.

It is rewarding every year for those of us who produce this report to receive feedback from institutions telling us how they use HEPI, and we look forward to hearing from you again this year. Whatever course inflation takes, our objective is to make HEPI a valuable tool in your deliberations and decisions.

George Suttles
Executive Director
Commonfund Institute

Table of Contents

About Commonfund Institute

Commonfund Institute houses the education and research activities of Commonfund and provides the entire community of long-term investors with investment information and professional development programs. Commonfund Institute is dedicated to the advancement of investment knowledge and the promotion of best practices in financial management. It provides a wide variety of resources, including conferences, seminars and roundtables on topics such as endowments and governance; proprietary and third-party research such as the Commonfund Benchmark Studies®; publications including the Commonfund Higher Education Price Index® (HEPI); and events such as the annual Commonfund Forum and Investment Stewardship Academy.

Higher Education Price Index Introduction

Executive Summary

Commonfund Higher Education Price Index® (HEPI) data show that costs for colleges and universities rose 2.7 percent in FY2021, an increase compared with the 1.9 percent rise in FY2020. Although the FY2021 figure represents a 42 percent year-over-year increase, it is essentially level with the five-year average of 2.6 percent. (Fiscal year 2021 covers the period from July 1, 2020, to June 30, 2021, and coincides with the budget year of most institutions of higher education.)

Year over year, costs in FY2021 rose in all of the eight components tracked by HEPI, although the rate of increase slowed in three categories—faculty salaries, clerical costs and miscellaneous services. Faculty salaries, the most heavily weighted component of the index at 35 percent, rose 1.0 percent in FY2021 compared with 2.7 percent in FY2020. Clerical costs, the second-heaviest weighting at 18 percent, rose 2.8 percent, a lower rate than 3.2 percent in FY2020. Miscellaneous services, accounting for a 2 percent weighting, rose 2.0 percent, down from 2.8 percent in fiscal 2020.

The sharpest increase in costs in FY2021 occurred in the utilities category, which saw a 15.0 percent increase versus a 15.7 percent decline in FY2020. A similar mirror image reversal occurred in the supplies and materials category, where costs increased 3.5 percent this fiscal year compared with a 3.5 percent decline in the previous fiscal period.

With the Consumer Price Index[1] (CPI) inflation rate coming in at 2.3 percent for FY2021, on a historical basis HEPI's 2.7 percent rate of inflation represented a narrow spread between the two measures of inflation. In fact, the same spread has been less than 1 percentage point for the past four years, and while this cannot be considered rare it is out of the ordinary for it to occur for four consecutive years.

About HEPI

The Higher Education Price Index (HEPI) is an inflation index designed specifically for use by institutions of higher education. Compiled from data reported by government agencies and industry sources, HEPI measures the average relative level in the price of a fixed market basket of goods and services purchased by colleges and universities each year through current fund educational and general expenditures, excluding research. A more accurate indicator of cost changes for colleges and universities than the Consumer Price Index (CPI), HEPI is used primarily to project future budget increases required to preserve purchasing power. With compilations dating back to 1961, HEPI offers almost 60 continuous years of higher education inflation data. It is an essential tool enabling schools to determine increases in funding necessary to maintain both real purchasing power and investment.

In 2005, Commonfund Institute assumed responsibility for the index and the proprietary model used to calculate HEPI's values from Research Associates of Washington, D.C. In subsequent years, in keeping with its commitment to improving and expanding the index, Commonfund Institute has expanded HEPI to include additional calculations and measures.

HEPI is compiled using data items from publicly available sources that are released at different points in the academic fiscal year, which runs from July 1 through the following June 30. We use this data, as it is released, to calculate HEPI forecasts that are released each April, June and August. The final report is released in December each year.

1 The Bureau of Labor Statistics (BLS) updates CPI statistics monthly. It also provides a six- and 12-month average change; January-June, July-December and January-December. The CPI values reported on Commonfund's HEPI web site are based on fiscal year (July 1 through June 30) 12-month averages rather than the monthly (or point-to-point) CPI values usually reported by the BLS.

IMPORTANT NOTE: In 2015, the American Association of University Professors (AAUP) began using a new methodology to calculate salary and total compensation that was not directly comparable with the past. Further adjustments were made to the data for FY2020 and data for fiscal years 2015 through 2019 have now been restated to account for the change and make the data compatible with past reporting.

HEPI data are provided free of charge via Commonfund's website at www.commonfund.org/HEPI where you can sign up to receive forecasts and the full HEPI report when it is published each December.

The HEPI Tables

The chart below shows HEPI from fiscal years 1961 to 2021. Table A on page 3 summarizes HEPI and CPI for the same period. Table B on page 4 summarizes the regression formula used since FY2002 to calculate HEPI. HEPI data beginning with FY2002 have been restated to reflect methodological improvements adopted in 2009.

FIGURE 1

HIGHER EDUCATION PRICE INDEX

1961-2021

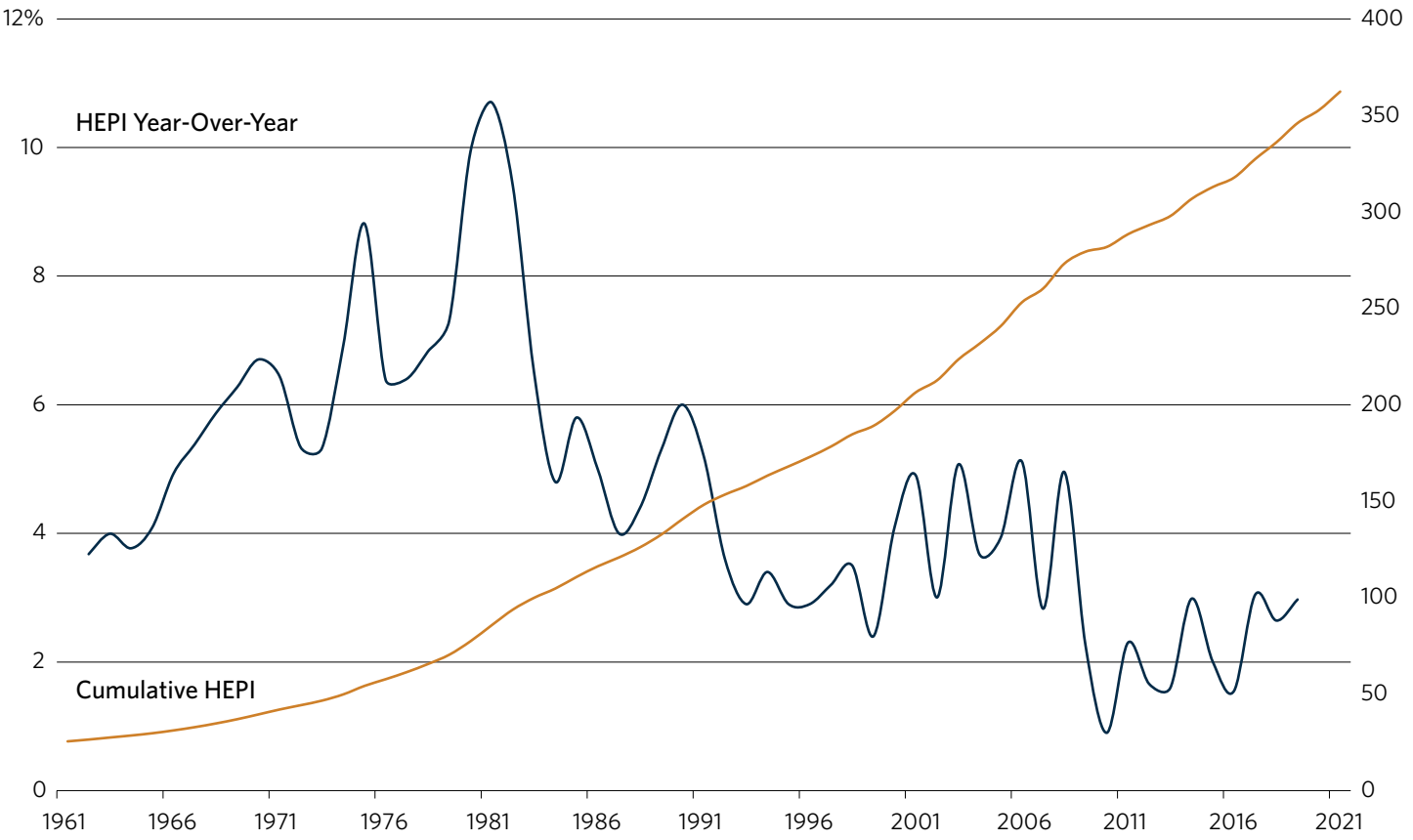


Figure 1 traces the Higher Education Price Index (HEPI) from 1961 to 2021. Cumulative HEPI is represented by the steadily increasing orange line, indexed to 100 for 1983, and should be read using the right-hand scale. The jagged line traces percentage year-over-year changes in HEPI and should be read using the left-hand scale. In this chart and in the supporting data in Table A on page 3, HEPI is presented in two ways—as an index level and as a year-over-year percent change. HEPI data beginning with FY2002 have been restated to reflect the methodological improvements adopted in 2009.

TABLE A

HISTORICAL SUMMARY OF HIGHER EDUCATION PRICE INDEX AND CONSUMER PRICE INDEX

Fiscal Years 1961 to 2021

	College and university operations		Consumer prices			College and university operations		Consumer prices	
Fiscal year	HEPI Index Value 1983 = 100	Yearly % Change	CPI Index Value 1983 = 100	Yearly % Change	Fiscal year	HEPI Index Value 1983 = 100	Yearly % Change	CPI Index Value 1983 = 100	Yearly % Change
1961	25.6	–	30.3	–	1991	148.2	5.2%	136.4	5.4%
1962	26.5	3.7%	30.6	1.0%	1992	153.5	3.6%	140.8	3.2%
1963	27.6	4.0%	31.0	1.1%	1993	157.9	2.9%	145.2	3.1%
1964	28.6	3.8%	31.4	1.4%	1994	163.3	3.4%	148.8	2.5%
1965	29.8	4.1%	31.8	1.3%	1995	168.1	2.9%	153.2	3.0%
1966	31.3	4.9%	32.6	2.3%	1996	173.0	2.9%	157.4	2.7%
1967	32.9	5.4%	33.5	3.0%	1997	178.4	3.2%	161.9	2.9%
1968	34.9	5.9%	34.6	3.3%	1998	184.7	3.5%	164.8	1.8%
1969	37.1	6.3%	36.3	4.8%	1999	189.1	2.4%	167.6	1.7%
1970	39.5	6.7%	38.5	5.9%	2000	196.9	4.1%	172.5	2.9%
1971	42.1	6.4%	40.5	5.2%	2001	208.7	6.0%	178.4	3.4%
1972	44.3	5.3%	41.9	3.6%	2002	212.7	1.9%	181.6	1.8%
1973	46.7	5.3%	43.6	3.9%	2003	223.5	5.1%	185.5	2.2%
1974	49.9	6.9%	47.5	8.9%	2004	231.7	3.7%	189.6	2.2%
1975	54.3	8.8%	52.8	11.2%	2005	240.8	3.9%	195.3	3.0%
1976	57.8	6.4%	56.5	7.1%	2006	253.1	5.1%	202.7	3.8%
1977	61.5	6.4%	59.8	5.8%	2007	260.3	2.8%	208.0	2.6%
1978	65.7	6.8%	63.8	6.8%	2008	273.2	5.0%	215.7	3.7%
1979	70.5	7.3%	69.8	9.3%	2009	279.3	2.3%	218.7	1.4%
1980	77.5	9.9%	79.1	13.3%	2010	281.8	0.9%	220.8	1.0%
1981	85.8	10.7%	88.2	11.6%	2011	288.4	2.3%	225.3	2.0%
1982	93.9	9.4%	95.8	8.7%	2012	293.2	1.7%	231.9	2.9%
1983	100.0	6.5%	100.0	4.3%	2013	297.8	1.6%	235.7	1.7%
1984	104.8	4.8%	103.7	3.7%	2014	306.7	3.0%	239.4	1.6%
1985	110.8	5.8%	107.7	3.9%	2015	312.9	2.0%	241.1	0.7%
1986	116.3	5.0%	110.8	2.9%	2016	317.7	1.5%	242.8	0.7%
1987	120.9	4.0%	113.3	2.2%	2017	327.4	3.0%	247.2	1.8%
1988	126.2	4.4%	118.0	4.1%	2018	336.1	2.6%	252.8	2.3%
1989	132.8	5.3%	123.5	4.7%	2019	346.0	3.0%	258.0	2.1%
1990	140.8	6.0%	129.4	4.8%	2020	352.7	1.9%	262.2	1.6%
					2021	362.3	2.7%	268.1	2.3%

Sources: HEPI, Research Associates of Washington and Commonfund Institute, July 1 - June 30 data
CPI, U.S. Department of Labor, data is calculated July 1 - June 30 (annual published CPI is computed over the calendar 12-month period)

IMPORTANT NOTE: In 2015, the American Association of University Professors (AAUP) began using a new methodology to calculate salary and total compensation that was not directly comparable with the past. Further adjustments were made to the data for FY2021 and data for fiscal years 2015 through 2021 have now been restated to account for the change and to make the data compatible with past reporting.

TABLE B

HIGHER EDUCATION PRICE INDEX 2012 – 2021

Regression analysis of components—Fiscal Years 2012 to 2021

	Fiscal	Regression HEPI	Faculty salaries	Admin-istrative salaries	Clerical	Service employees	Fringe benefits	Miscel-laneous services	Supplies and materials	Utilities
Index Value	2012	293.2	289.6	352.3	264.8	235.7	425.3	264.6	203.9	191.7
	2013	297.8	294.6	362.4	269.8	239.4	437.5	269.4	180.0	195.6
	2014	306.7	301.0	366.4	274.8	242.0	458.3	274.2	200.2	211.4
	2015	312.9	306.4	381.9	280.4	248.4	484.0	279.8	190.7	183.5
	2016	317.7	318.2	393.3	289.1	253.3	487.9	285.7	179.5	146.5
	2017	327.4	326.0	405.2	297.3	262.7	501.6	290.7	180.1	167.8
	2018	336.1	333.6	414.1	305.9	271.6	516.3	297.8	187.9	170.7
	2019	346.0	342.2	424.1	316.6	282.5	534.1	304.8	195.6	172.3
	2020	352.7	351.4	430.3	326.6	293.9	549.6	313.2	188.8	145.3
	2021	362.3	354.7	437.2	335.7	306.6	572.2	319.3	195.4	167.0
Standard Deviation	2002-2021	43.8	41.2	62.0	38.6	33.5	88.2	34.4	23.2	34.2
Yearly% change	2012	1.7%	1.8%	2.7%	1.7%	1.1%	1.8%	1.7%	5.2%	-4.9%
	2013	1.6%	1.7%	2.9%	1.9%	1.6%	2.9%	1.8%	-11.7%	2.1%
	2014	3.0%	2.2%	1.1%	1.9%	1.1%	4.8%	1.8%	11.2%	8.1%
	2015	2.0%	1.8%	4.2%	2.1%	2.6%	5.6%	2.1%	-4.8%	-13.2%
	2016	1.5%	3.8%	3.0%	3.1%	2.0%	0.8%	2.1%	-5.8%	-20.2%
	2017	3.0%	2.5%	3.0%	2.8%	3.7%	2.8%	1.7%	0.3%	14.5%
	2018	2.6%	2.3%	2.2%	2.9%	3.4%	2.9%	2.4%	4.3%	1.7%
	2019	3.0%	2.6%	2.4%	3.5%	4.0%	3.5%	2.4%	4.1%	0.9%
	2020	1.9%	2.7%	1.5%	3.2%	4.0%	2.9%	2.8%	-3.5%	-15.7%
	2021	2.7%	1.0%	1.6%	2.8%	4.3%	4.1%	2.0%	3.5%	15.0%

IMPORTANT NOTE: In 2015, the American Association of University Professors (AAUP) began using a new methodology to calculate salary and total compensation that was not directly comparable with the past. Further adjustments were made to the data for FY2021 and data for fiscal years 2015 through 2021 have now been restated to account for the change and to make the data compatible with past reporting.

Summary Output

Regression Statistics

Multiple R	0.999998904
R Square	0.999997809
Adjusted R Square	0.999997261
Standard Error	0.096391663
Observations	41

Coefficients

Intercept	-0.286286907
Faculty	0.353741718
Admin	0.104289477
Clerical	0.18408585
Service	0.082314791
Fringe	0.131020859
Services	0.022899544
Supplies	0.055138426
Utilities	0.068247106

Higher Education Price Index Analysis

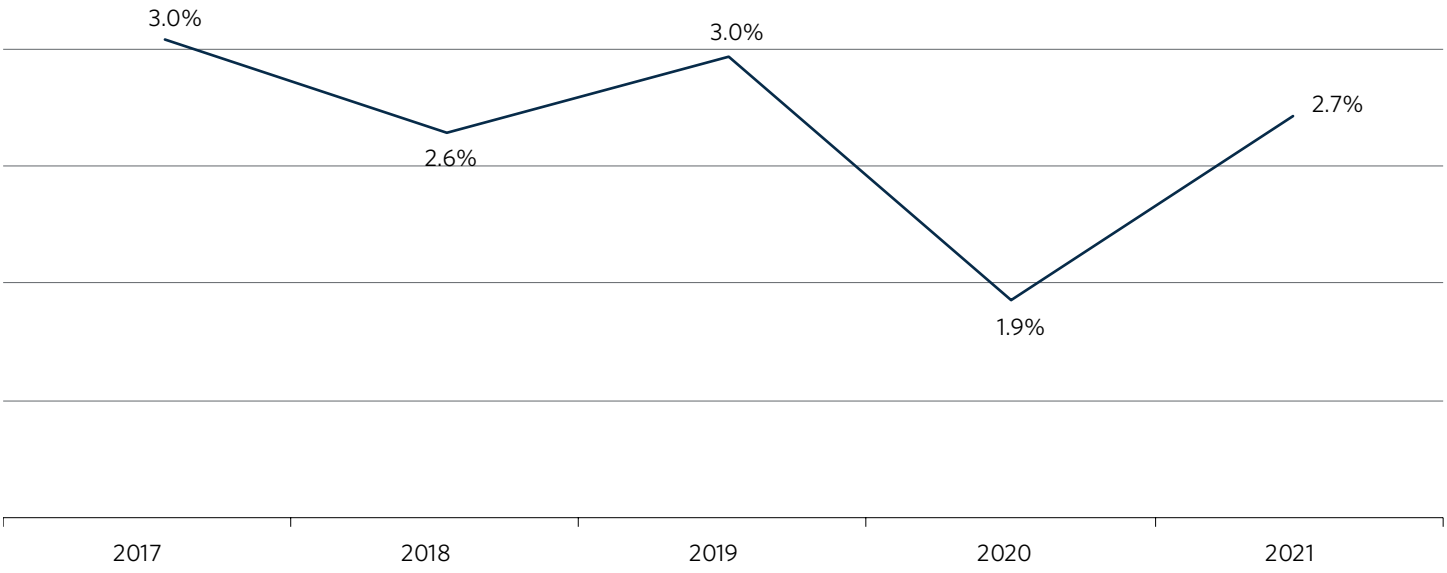
HEPI for 2021

For fiscal year 2021 the HEPI calculation reveals that inflation for colleges and universities was 2.7 percent, representing an increase from FY2020's 1.9 percent. While the FY2021 figure was a 42 percent increase compared with FY2020, over the past five fiscal years it was exceeded by 3.0 percent in both 2017 and 2019 and was approximately equal with 2.6 percent in FY2018. The 2.7 percent figure was also only 0.1 percentage point higher than the average HEPI for the trailing five fiscal years.

FIGURE 2

THE HIGHER EDUCATION PRICE INDEX

Fiscal years 2017 - 2021



- There are eight cost factor components that contribute to the HEPI regression calculation: faculty salaries, administrative salaries, clerical costs, service employee costs, fringe benefits, miscellaneous services, supplies and materials, and utilities.
- The regression equation assigns a different weighting to each cost factor and, therefore, a change in one component may influence the final HEPI calculation more than another.
- The components that are most heavily weighted are faculty salaries, clerical costs, fringe benefits and administrative salaries.

Highlights of 2021 Study

Costs in FY2021 rose in all eight of the cost components tracked by HEPI; last year, costs rose in six and declined in two. With two notable exceptions, costs in FY2021 did not rise appreciably compared with the previous fiscal year. For instance, faculty salaries—the most heavily weighted component in the index—increased just 1.0 percent in fiscal 2021 compared with 2.7 percent in FY2020.

The two categories accounting for most of the increased rate of inflation were supplies and materials and utilities. The latter showed a 15.0 percent year-over-year increase versus a sharp decline of 15.7 percent a year ago. Costs for supplies and materials showed a similar pattern, albeit at a lower level. These costs rose 3.5 percent in FY2021 against a 3.5 percent decline a year earlier.

Supporting Data

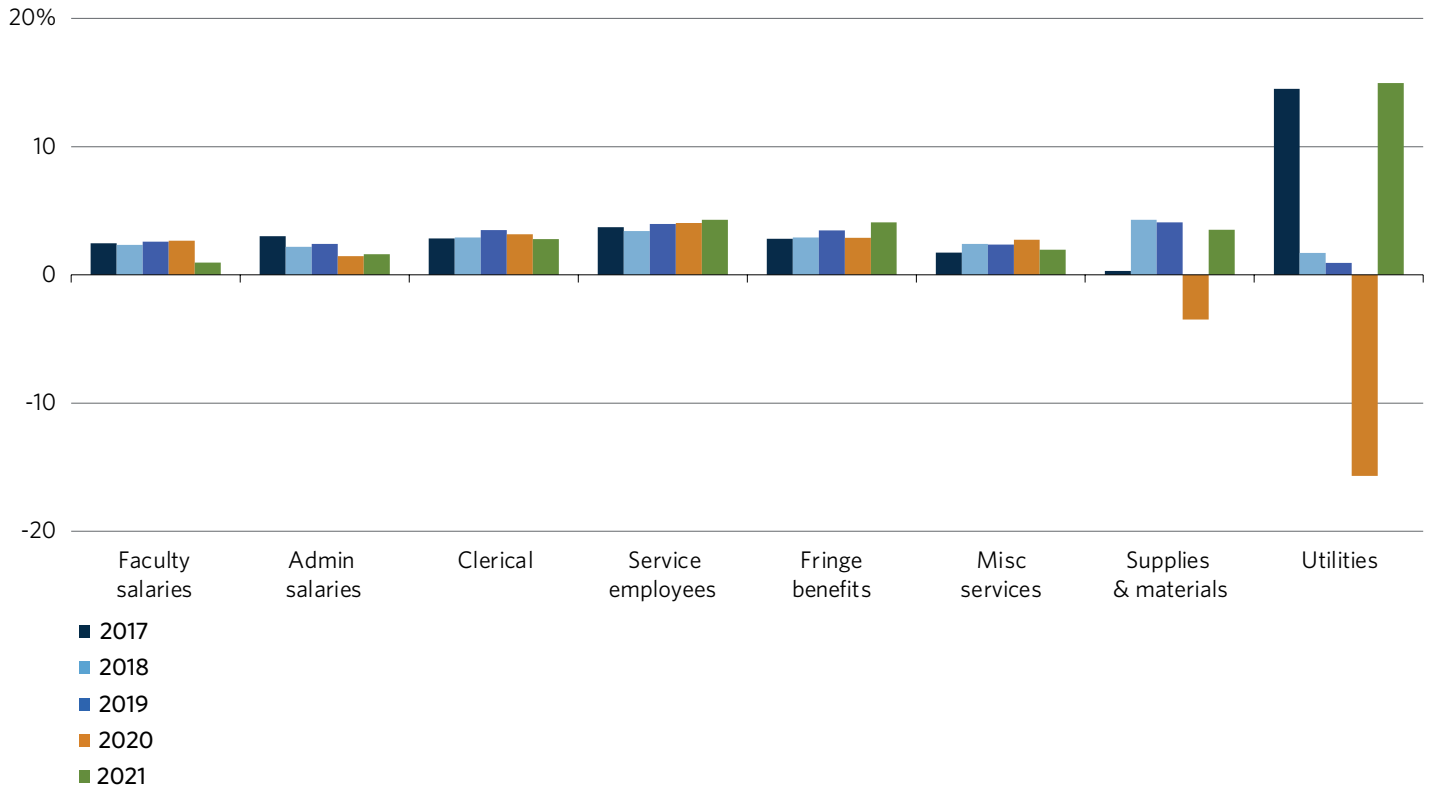
As noted, with two exceptions moderate change typified most cost categories in FY2021. Clerical costs, the second most heavily weighted category, rose a slower rate in FY2021—2.8 percent versus 3.2 percent in FY2020. Fringe benefits, the third most heavily weighted component, showed more movement, rising 4.1 percent in fiscal 2021 versus 2.9 percent a year earlier. The fourth most heavily weighted component, administrative salaries, were all but level with last year's rate of change, rising 1.6 percent versus 1.5 percent in FY2020. Service employee costs rose at a somewhat higher rate, 4.3 percent versus 4.0 in FY2020. Costs for miscellaneous services rose at slower rate, 2.0 percent compared with last year's 2.8 percent.

5-Year Changes in Cost Factors: Figure 3 Analysis

Figure 3 is a graphical representation of the changes in the eight cost factors from FY2017 to FY2021. Six cost factors were reasonably stable over the period, rising consistently but not dramatically in any single year. Two cost factors reflect considerable volatility. As mentioned, the most dramatic year-over-year changes have occurred in utilities, which deflated by 15.7 percent for FY2020 before soaring 15.0 percent in FY2021, marking the single greatest price increase for any component over the five-year period. Yet, this category was close to flat in FY2019 and FY2018 (increases of 0.9 percent and 1.7 percent, respectively). Tracing to the beginning of the five-year period, in FY2017 this component rose in price by 14.5 percent, meaning that prices rose or fell at double-digit rates in three of the five years. Turning to supplies and materials, the 3.5 percent increase in costs for FY2021 was the third lowest of the five-year period, as it was exceeded in both FY2018 and FY2019. (In the previous five-year period, FY2012-2016, prices for supplies and materials deflated in three years.)

FIGURE 3

ANNUAL PERCENTAGE CHANGES IN THE 8 HEPI COST FACTORS, FISCAL YEARS 2017 – 2021



HEPI for FY2021 versus a 5-Year Average: Figure 4 Analysis

Figure 4 shows a longer-term analysis of HEPI's components, comparing the reported rates for FY2021 against their historical five-year averages. Of the eight cost factors, four were above their five-year average in FY2021 and four were below.

- Of the four most heavily weighted HEPI components, cost increases in FY2021 were below their five-year average for three and higher for one. Costs were lower for faculty salaries (1.0 percent versus 2.2 percent), administrative salaries (1.6 percent versus 2.1 percent) and clerical costs (2.8 percent versus 3.0 percent). They were higher for fringe benefits (4.1 percent versus 3.2 percent).

- For FY2021, the greatest deviation from the five-year average was in the utilities component, which rose 15.0 percent compared with its five-year average of 3.3 percent. (This category also showed the greatest divergence in last year's study.) The other significant deviation was found in supplies and materials, which rose by 3.5 percent in FY2021 compared with a five-year average of 1.8 percent.

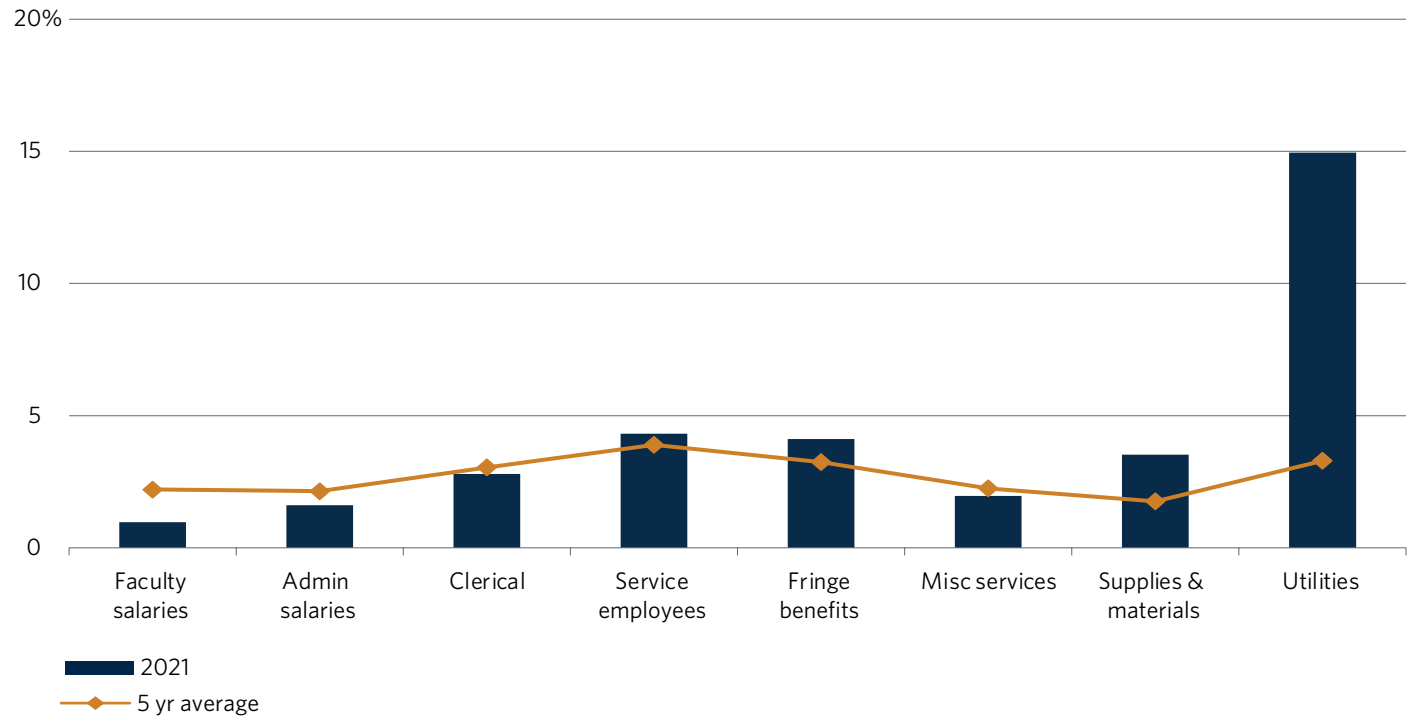
- Of the remaining two components, service employee costs rose 4.3 percent in FY2021 versus a five-year average of 3.9 percent while miscellaneous services showed the least change, rising 2.0 percent in FY2021 versus a five-year average of 2.2 percent.

- On a historical basis, utilities have been the most volatile component in the index. Since FY2015, this component declined by double digits in three years and increased by less than 2.0 percent in two others. This year's 15.0 percent increase is the highest since a 14.5 percent rise in FY2017. Underscoring the volatile nature of this component, over the eight-year period from FY2002 to FY2009 costs rose or fell at double-digit rates each year.

- This year's 1.0 percent increase in faculty salaries was the lowest since FY2002, while the 1.6 percent increase in administrative salaries has only shown smaller increases twice in the period since FY2002.

FIGURE 4

ANNUAL PERCENTAGE CHANGES IN THE 8 HEPI COST FACTORS VS. 5-YEAR AVERAGE



Looking at five-year trends, service employee costs have risen the most, an average annual rate of 3.9 percent; costs in this category accelerated to 4.3 percent in fiscal 2021 and 4.0 percent annually for fiscal 2019 and 2020. Following that, utilities rose at an average annual rate of 3.3 percent. Two other components rose at rates of 3.0 percent or more: fringe benefits, averaging 3.2 percent annually, and clerical costs, rising at 3.0 percent annual rates. Miscellaneous services and faculty salaries averaged 2.2 percent increases over the period, while administrative salaries rose at 2.1 percent annual rates. Supplies and materials rose at the lowest average annual rate, 1.8 percent.

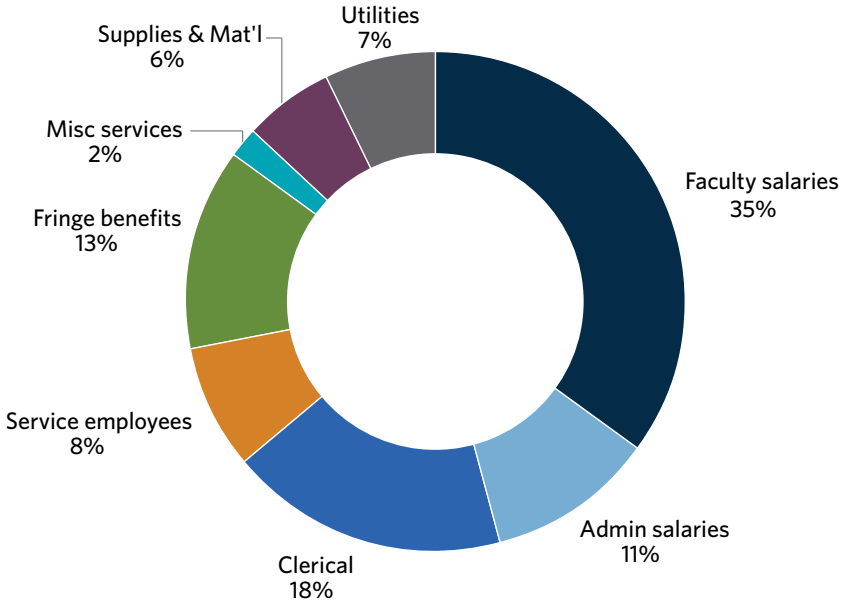
Sensitivity Analysis of the 8 HEPI Regression Components: Figure 5 Analysis

Figure 5 shows how the HEPI regression equation assigns a different weighting to each cost factor.

- Owing to the large variance in these weightings (a difference of 33 percentage points between the high and low), an increase in one component may influence the final HEPI calculation more than an identical increase in another.
- Those components that are most heavily weighted are faculty salaries and clerical costs and fringe benefits.
- Utilities represent the third lowest weighting and supplies and materials the second lowest. The low weightings of these two components have served to mitigate the effect of the high volatility that has characterized these cost factors in recent years.

FIGURE 5

HEPI COST FACTOR WEIGHTINGS



Sensitivity of HEPI to a 5 Percent Increase in Faculty Salaries or Miscellaneous Services: Figure 6 Analysis

The sensitivity analysis in Figure 6 shows that a 5 percent increase in faculty salaries, the largest component of HEPI, from an index value of 354.7 to 372.5, has the effect of increasing HEPI by 180 basis points, keeping all other components constant. However, a similar 5 percent increase in the index for miscellaneous services, the smallest component, has the effect of adding only 10 basis points to HEPI.

FIGURE 6

SENSITIVITY OF HEPI TO A 5 PERCENT INCREASE IN FACULTY SALARIES OR MISCELLANEOUS SERVICES

	Total	Faculty salaries	Admin salaries	Clerical	Service employees	Fringe benefits	Misc. services	Supplies & mat'l	Utilities
Current									
Index Value	362.3	354.7	437.2	335.7	306.6	572.2	319.3	195.4	167.0
Yearly % Change	2.7%	1.0%	1.6%	2.8%	4.3%	4.1%	2.0%	3.5%	15.0%
Scenario: Faculty Salaries up 5%									
Index Value	368.6	372.5	437.2	335.7	306.6	572.2	319.3	195.4	167.0
Yearly % Change	4.5%	6.0%	1.6%	2.8%	4.3%	4.1%	2.0%	3.5%	15.0%
△	**180 b.p.**	**500 b.p.**							
Scenario: Misc. Services up 5%									
Index Value	362.6	354.7	437.2	335.7	306.6	572.2	335.3	195.4	167.0
Yearly % Change	2.8%	1.0%	1.6%	2.8%	4.3%	4.1%	7.1%	3.5%	15.0%
△	**10 b.p.**						**510 b.p.**		

Higher Education Price Index for Different Types of Educational Institutions

Beginning in FY2007 Commonfund expanded the calculations of HEPI for eight types of educational institutions:

- Public institutions as a whole
- Public doctoral degree-granting institutions
- Public master's degree-granting institutions
- Public two-year colleges
- Private institutions as a whole
- Private doctoral degree-granting institutions
- Private masters' degree-granting institutions
- Private baccalaureate institutions

These indices were calculated using the appropriate faculty salary and fringe benefit information for each type of institution, while holding the other six HEPI cost factors constant. Table C on page 13 shows HEPI for FY2012 – 2021 for these institution types.

For FY2021, HEPI data showed a sharp divergence between cost increases for public and private institutions. For public institutions, costs rose 3.4 percent while for private institutions costs decreased by 0.7 percent.

Public institution costs in FY2021 rose at the second highest pace of the past five years; only in FY2017 were cost increases higher—a rate of 3.6 percent. Tracing farther back, the 3.4 percent increase in FY2021 was also the second highest of the past decade. The decline in costs for private institutions was the first since -2.3 percent in FY2016. Other than FY2021's decline, the most moderate increase in costs for private institutions over the past five years was 2.3 percent in FY2019.

TABLE C

HIGHER EDUCATION PRICE INDEX FISCAL YEARS 2012 - 2021

by major categories of public and private educational institutions

		NATIONAL	PUBLIC INSTITUTIONS				PRIVATE INSTITUTIONS			
	Fiscal year	Total	Total	Doctoral	Master's	2 Year College	Total	Doctoral	Master's	Baccalau-reate
Index Value	2012	293.2	290.2	318.0	292.0	290.9	304.7	347.4	305.7	306.5
	2013	297.8	293.2	325.5	294.2	286.3	312.1	354.6	312.6	313.1
	2014	306.7	302.5	334.3	301.1	295.9	322.1	366.3	319.9	323.7
	2015	312.9	308.3	340.1	306.2	300.9	328.7	374.6	321.8	328.4
	2016	317.7	311.7	347.8	313.8	312.3	321.3	375.7	321.3	318.3
	2017	327.4	322.9	360.4	325.0	319.5	332.8	389.1	337.1	330.4
	2018	336.1	332.0	371.3	334.3	334.1	359.3	405.1	353.2	368.2
	2019	346.0	341.0	381.9	342.5	341.4	367.6	417.9	351.4	374.2
	2020	352.7	346.1	387.6	344.3	340.9	380.0	427.4	360.8	376.8
	2021	362.3	357.7	400.4	359.8	345.5	377.4	431.4	360.1	373.4
Yearly % Change	2012	1.7%	1.6%	2.0%	0.8%	1.7%	2.1%	3.2%	1.4%	1.6%
	2013	1.6%	1.0%	2.4%	0.7%	-1.6%	2.4%	2.1%	2.3%	2.2%
	2014	3.0%	3.2%	2.7%	2.3%	3.4%	3.2%	3.3%	2.3%	3.4%
	2015	2.0%	1.9%	1.7%	1.7%	1.7%	2.1%	2.3%	0.6%	1.4%
	2016	1.5%	1.1%	2.3%	2.5%	3.8%	-2.3%	0.3%	-0.2%	-3.1%
	2017	3.0%	3.6%	3.6%	3.6%	2.3%	3.6%	3.6%	4.9%	3.8%
	2018	2.6%	2.8%	3.0%	2.8%	4.6%	8.0%	4.1%	4.8%	11.4%
	2019	3.0%	2.7%	2.9%	2.5%	2.2%	2.3%	3.2%	-0.5%	1.6%
	2020	1.9%	1.5%	1.5%	0.6%	-0.1%	3.4%	2.3%	2.7%	0.7%
	2021	2.7%	3.4%	3.3%	4.5%	1.3%	-0.7%	0.9%	-0.2%	-0.9%

Faculty Salary Differences by Institution Type

As shown in Figures 7 and 8 on the following page, faculty salaries—the most heavily weighted component of HEPI—saw an increase of 1.0 percent at public institutions but no change (0.0 percent) at private institutions. Among public institutions, faculty salaries rose 0.2 percent at master's degree-granting institutions. Salaries were unchanged (0.0 percent) at public doctoral institutions, however, and declined 0.8 percent at public two-year colleges. Faculty salaries at private institutions declined in all three categories: -0.3 percent at doctoral institutions and -1.4 percent at both master's degree-granting institutions and baccalaureate institutions.

FIGURE 7

FY2021 FACULTY SALARIES PUBLIC INSTITUTIONS

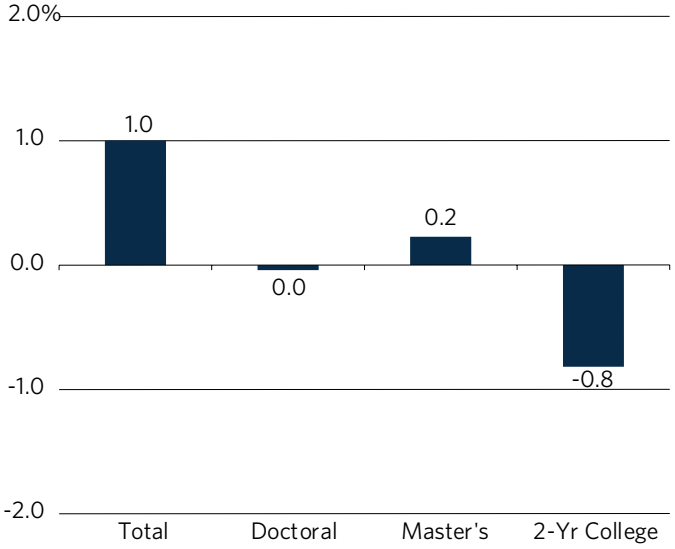
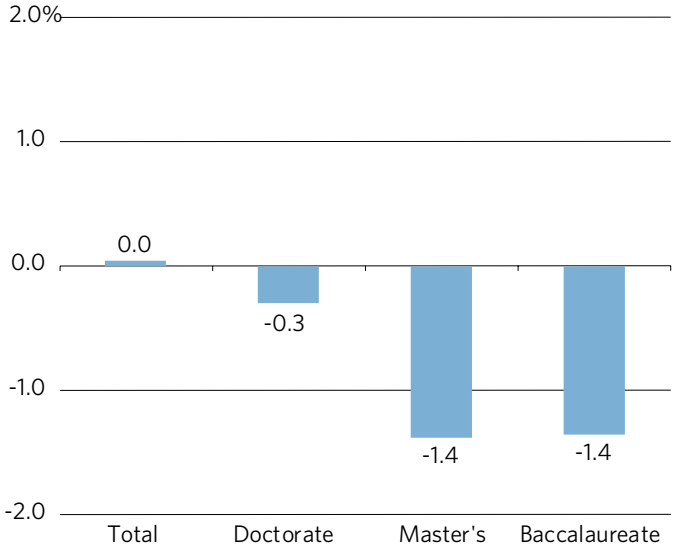


FIGURE 8

FY2021 FACULTY SALARIES PRIVATE INSTITUTIONS



Data concerning fringe benefits in FY2020 were not available from the AAUP for last year's report; however, data for both fiscal 2020 and 2021 have since become available, and we are able to report this data once again. Overall, costs for fringe benefits rose 7.3 percent for public institutions in FY2021. This breaks down into a 7.4 percent increase at doctoral institutions; 13.1 percent at master's degree-granting institutions; and 0.2 percent at two-year colleges. Turning to private institutions, costs for fringe benefits present a much different picture, as they fell across the board, starting with a 3.5 percent decline for private institutions overall. Costs at doctoral institutions decreased by 0.8 percent; by 5.4 percent at master's degree-granting institutions; and by 7.7 percent at baccalaureate institutions.

FIGURE 9

FY2021 FRINGE BENEFIT COSTS PUBLIC INSTITUTIONS

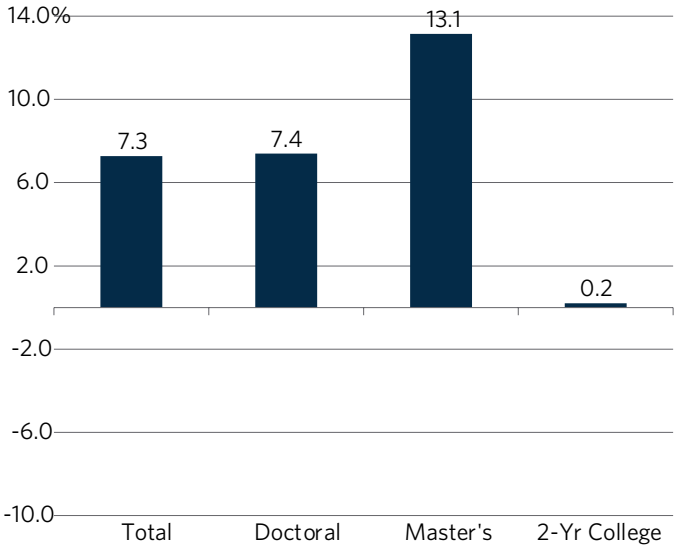
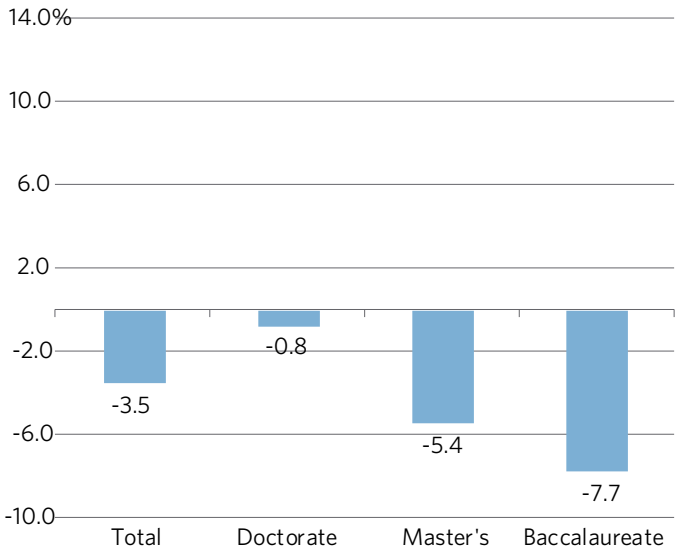


FIGURE 10

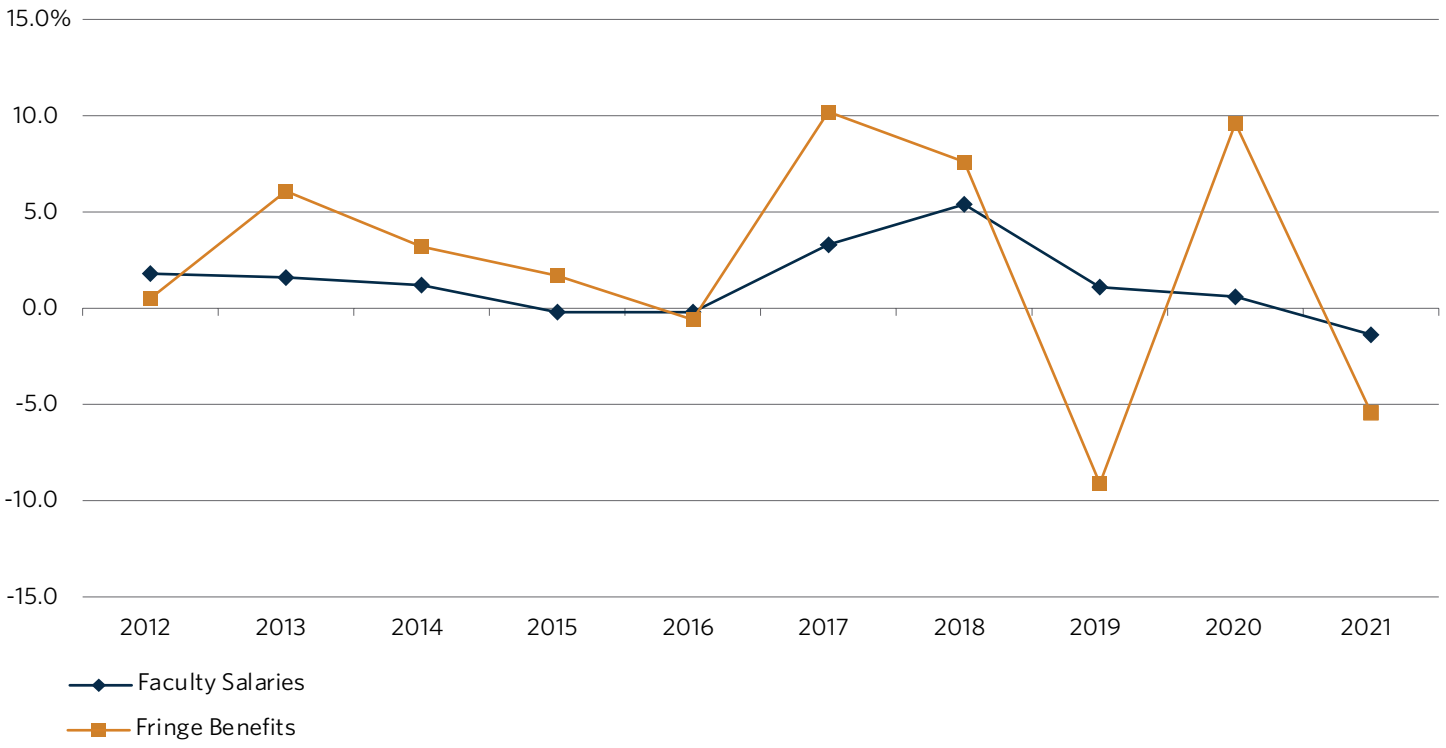
FY2021 FRINGE BENEFIT COSTS PRIVATE INSTITUTIONS



As shown in Figure 11, faculty salaries at private master's degree-granting institutions decreased 1.4 percent in FY2021, the first actual decrease since equal -0.2 percent changes in fiscal years 2015 and 2016. Fringe benefit costs declined more sharply, falling 5.4 percent in FY2021. This is in sharp contrast to a 9.6 percent rise in fringe benefit costs in FY2020. As the figure shows, annual changes in fringe benefit costs have been volatile over the past decade.

FIGURE 11

FY2021 FACULTY SALARIES AND FRINGE BENEFIT COSTS
PRIVATE MASTER'S DEGREE-GRANTING INSTITUTIONS



COVID-19: Behind the Decrease in Faculty Compensation

The annual study of faculty compensation conducted by the American Association of University Professors (AAUP), said: "U.S. colleges and universities have taken a wide range of actions in response to financial difficulties stemming from the COVID-19 pandemic. At a time when many institutions were already struggling to balance their budgets, many lowered their expenditures by implementing hiring freezes, salary cuts, fringe benefit cuts, furloughs and layoffs."

A survey conducted by AAUP found that more than half (54.7 percent) of respondents froze or reduced salaries and more than a quarter (27.7 percent) eliminated or reduced fringe benefits for full-time faculty members. Responses to COVID-19 varied among institutional types. Private institutions were more likely to freeze or reduce salaries (74.1 percent) than public institutions (42.1 percent). Private institutions were also more likely to reduce fringe benefits for full-time faculty members (74.1 percent) compared with public institutions (4.5 percent). Doctoral institutions were more likely (72.3 percent) to freeze or reduce salaries than master's (47.5 percent), baccalaureate (61.7 percent) or associate's (54.7 percent) institutions.

Higher Education Price Indices for Different Regions of the Country

Beginning in FY2009, Commonfund further expanded its HEPI service to include calculations of HEPI for the nine standard census divisions of the United States:

- New England — Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont
- Middle Atlantic — New Jersey, New York, Pennsylvania
- East North Central — Illinois, Indiana, Michigan, Ohio, Wisconsin
- West North Central — Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota
- South Atlantic — Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, Puerto Rico, South Carolina, Virginia, West Virginia
- East South Central — Alabama, Kentucky, Mississippi, Tennessee
- West South Central — Arkansas, Louisiana, Oklahoma, Texas
- Mountain — Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming
- Pacific — Alaska, California, Guam, Hawaii, Oregon, Washington

These indices were calculated using the appropriate faculty salary and fringe benefit information for each region, while holding the other six HEPI cost factors constant. Table D shows HEPI for FY2012 – 2021 for the nine regions.

TABLE D

HIGHER EDUCATION PRICE INDEX FISCAL YEARS 2012-2021

summarized by region

	Fiscal Year	HEPI National	New England	Middle Atlantic	East North Central	West North Central	South Atlantic	East South Central	West South Central	Mountain	Pacific
Index Value	2012	293.2	298.3	292.8	289.2	293.7	285.1	294.2	300.2	296.0	310.5
	2013	297.8	307.4	306.0	294.9	299.2	285.7	295.5	301.0	298.4	316.3
	2014	306.7	314.2	307.2	302.1	308.5	300.1	307.4	314.0	307.2	323.7
	2015	312.9	320.6	310.1	308.1	314.3	304.9	312.5	319.6	316.2	331.8
	2016	317.7	326.5	316.5	314.1	319.4	312.6	313.9	327.9	322.9	329.5
	2017	327.4	334.6	324.1	320.4	325.3	323.6	322.1	333.5	327.9	350.3
	2018	336.1	343.5	333.6	323.6	335.3	333.2	331.6	345.6	335.7	363.7
	2019	346.0	350.2	342.7	338.3	341.4	341.3	343.5	351.6	342.9	373.7
	2020	352.7	360.2	344.7	343.1	353.9	350.3	352.7	359.8	350.5	383.4
	2021	362.3	366.1	354.5	348.2	358.5	357.7	357.6	366.2	354.6	*
Yearly % Change	2012	1.7%	2.3%	1.5%	1.0%	2.4%	1.2%	2.1%	2.7%	2.1%	2.0%
	2013	1.6%	3.0%	4.5%	2.0%	1.9%	0.2%	0.5%	0.3%	0.8%	1.9%
	2014	3.0%	2.2%	0.4%	2.4%	3.1%	5.1%	4.0%	4.3%	2.9%	2.3%
	2015	2.0%	2.0%	0.9%	2.0%	1.9%	1.6%	1.7%	1.8%	2.9%	2.5%
	2016	1.5%	1.9%	2.0%	1.9%	1.6%	2.5%	0.5%	2.6%	2.1%	-0.7%
	2017	3.0%	2.5%	2.4%	2.0%	1.8%	3.5%	2.6%	1.7%	1.6%	6.3%
	2018	2.6%	2.6%	2.9%	1.0%	3.1%	3.0%	2.9%	3.6%	2.4%	3.8%
	2019	3.0%	2.0%	2.7%	4.5%	1.8%	2.4%	3.6%	1.7%	2.1%	2.8%
	2020	1.9%	2.9%	0.6%	1.4%	3.6%	2.6%	2.7%	2.3%	2.2%	2.6%
	2021	2.7%	1.6%	2.8%	1.5%	1.3%	2.1%	1.4%	1.8%	1.2%	*

* Insufficient data to report this year

Faculty Salary Differences by Region

As shown in Figure 12, faculty salaries rose most in the Middle Atlantic region, at a rate of 1.5 percent. This rise was closely followed by a 1.4 percent increase in the South Atlantic region and 1.3 percent in three regions—East North Central, West South Central and Pacific. The only decrease in faculty salaries occurred in the Mountain region, at -2.5 percent. The smallest increases were 0. 6 percent in the East South Central region and 0.7 percent in the West North Central region.

FIGURE 12

FY2021 FACULTY SALARIES BY REGION

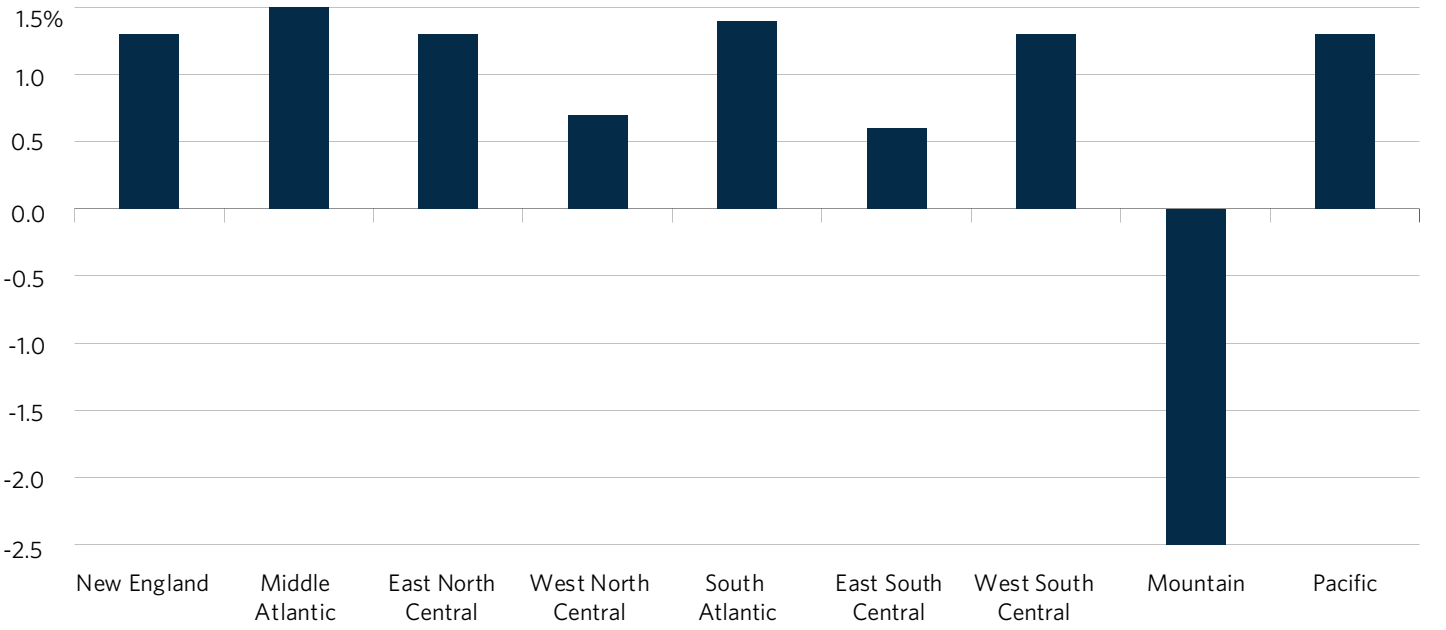
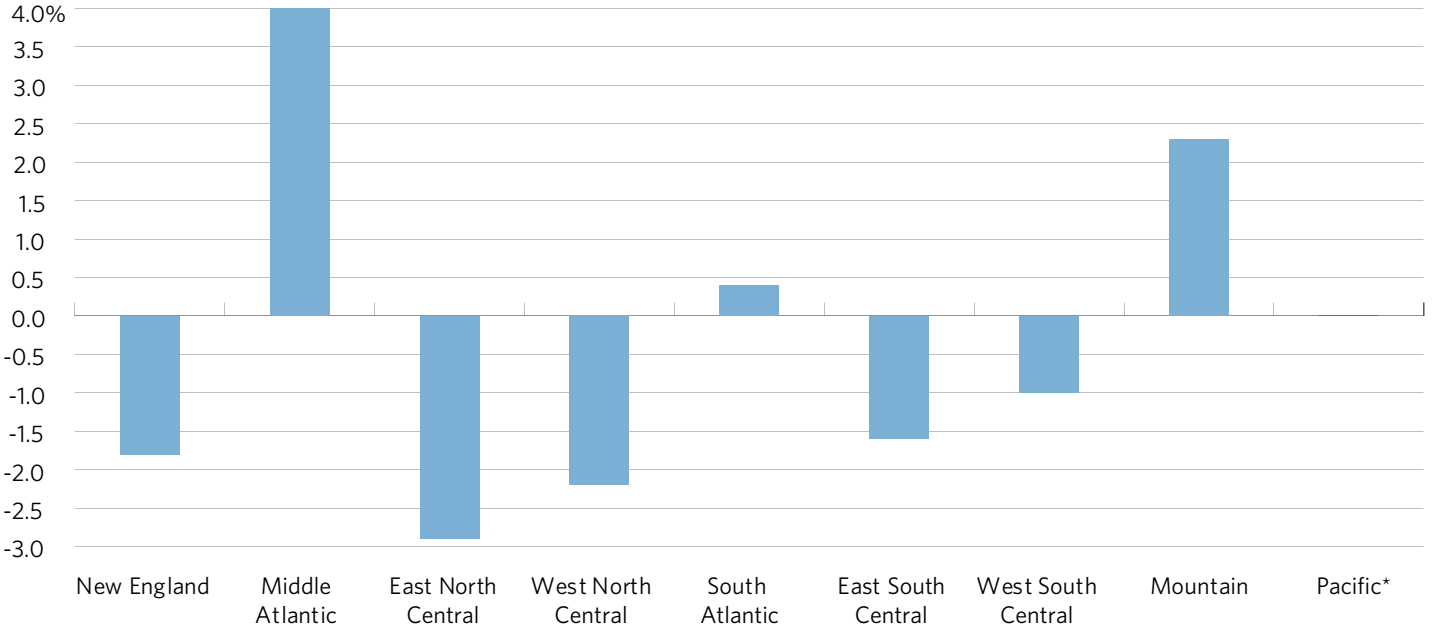


FIGURE 13

FY2021 FRINGE BENEFITS BY REGION



* Insufficient data from the Pacific region regarding fringe benefits suggest that data regarding overall costs in this region should be considered directional only.

Limitations and Opportunities of HEPI by Institutional Type and Region

In providing HEPI figures and analysis by type of institution and geographical region, it is appropriate to bear in mind the limitations of the methodology employed while also recognizing the potential opportunities for users of these indices to improve their fit with their own institution.

As noted, the institutional and regional HEPI indices are derived by substituting appropriate data for faculty salaries and fringe benefits into the standard HEPI regression equation, while leaving the other six cost factors unchanged. These two components, which together account for nearly half of the factor weighting in the HEPI equation, are the only ones for which information by institutional type and region is available. Since the other six factors, representing over half the weighting, are not changed, the institutional and regional HEPI indices are of necessity approximations and should be used accordingly.

In deriving the institutional and regional indices, the standard HEPI equation's factor weightings are also left unchanged. This is of relatively little importance in the institutional HEPI, where each component includes schools throughout the nation; in the regional HEPI, however, the weightings are kept the same because there is no standard source of information to serve as a guide to how they might be appropriately adjusted for each region.

For example, in a region where weather patterns are comparatively moderate the weighting assigned to utilities may be too high, while in a region of severe weather it might be appropriate to increase it. Users of the regional HEPI who are confident of the proportional composition of their institution's budgets, as expressed in the eight cost factors, may want to adjust the relative weightings of the factors in order to produce a HEPI that is more appropriate for their own institution.

Purchasing Power and Salaries of Full-Time Professors

As part of the calculation of HEPI, Commonfund Institute also gathers information about the salaries of full-time professors at public and private institutions. As illustrated in Tables E and F, these salaries have been restated in constant dollar terms so that they reflect the impact of inflation as measured by CPI.

Table E shows that salaries of professors at public doctoral-level institutions have increased in constant terms over the last 54 years by $23,560, evidencing an increase in real purchasing power. This is, however, a decrease from $26,316 reported in HEPI for FY2020 ($26,973 in constant 2021 dollars). For public comprehensive institutions, salary increases in constant terms have been all but unchanged—an increase of just $95. This compares with $2,124 reported a year ago ($2,216 in constant 2021 dollars). In constant dollars, salaries in the public comprehensive category reached their high point of $113,482 in FY1973 but had fallen below the $100,000 level by FY1979 and did not reach the $100,000 level until 1987. For public two-year colleges FY2021 salaries had increased the most in constant terms, $11,802 over the 54-year period. This too is lower than last year's $14,309 ($14,671 in constant 2021 dollars).

Table F shows that at private colleges, salaries have kept ahead of inflation in absolute terms as well as relative to public institutions. Salaries at doctoral-level institutions have led the way with a real increase of $71,260. This is down, however, from $74,759 reported in last year's HEPI ($76,536 in constant 2021 dollars). Salaries at comprehensive schools have increased by $22,702, a decrease compared with $26,397 a year ago ($27,044 in constant 2021 dollars). Salaries at general baccalaureate institutions have increased by $32,210 over the shorter 44-year period that they have been tracked since 1977. This compares with $35,986 reported a year ago ($36,853 in constant 2021 dollars).

Comparing public and private institutions, it is apparent that salaries for professors at public doctoral-level and comprehensive institutions have lagged behind those for professors at comparable private institutions. Measured in constant dollars, in FY1967 when calculations began, professors in private doctoral-level institutions earned an average of $9,213 more than professors in their public counterparts; by FY2021 that gap had expanded to $56,913 in constant dollars. As was pointed out in last year's HEPI, the same is not only true for professors in comprehensive institutions, the salary levels actually reversed. While salaries for professors at comprehensive public institutions were $8,605 more than were those of their counterparts at private institutions in 1967, by FY2021 salaries for professors at private comprehensive institutions were $14,002 higher in constant dollars than they were for professors at public comprehensive institutions.

TABLE E

HIGHER EDUCATION FACULTY SALARIES IN CURRENT AND CONSTANT FY2021 DOLLARS

Illustrative data—Fiscal Years 1967 to 2021

Public Faculty Salaries

Full professor average 9 - 10 month salaries by type of institution

	Category I (Doctoral-Level)			Cat IIA (Comprehensive)			Cat III (Two-Year Colleges)		
Fiscal year	**Amount**	**Yearly %**	**Constant FY21 dollars**	**Amount**	**Yearly %**	**Constant FY21 dollars**	**Amount**	**Yearly %**	**Constant FY21 dollars**
1967	$15,273	----	$122,150	$12,798	----	$102,355	$9,927	----	$79,394
1968	$16,160	5.8%	$125,115	$13,747	7.4%	$106,433	$10,659	7.4%	$82,525
1969	$16,900	4.6%	$124,803	$14,550	5.8%	$107,449	$11,800	10.7%	$87,141
1970	$17,750	5.0%	$123,766	$15,400	5.8%	$107,380	$12,950	9.7%	$90,297
1971	$18,600	4.8%	$123,246	$16,350	6.2%	$108,337	$14,150	9.3%	$93,760
1972	$19,678	5.8%	$125,803	$17,313	5.9%	$110,683	$15,217	7.5%	$97,283
1973	$20,545	4.4%	$126,395	$18,446	6.5%	$113,482	$17,080	12.2%	$105,078
1974	$21,400	4.2%	$120,870	$19,600	6.3%	$110,703	$18,100	6.0%	$102,231
1975	$22,648	5.8%	$115,078	$20,840	6.3%	$105,891	$19,312	6.7%	$98,127
1976	$24,277	7.2%	$115,229	$22,067	5.9%	$104,740	$20,254	4.9%	$96,134
1977	$25,210	3.8%	$113,081	$23,190	5.1%	$104,020	$21,860	7.9%	$98,054
1978	$26,420	4.8%	$111,035	$24,290	4.7%	$102,084	$23,240	6.3%	$97,671
1979	$28,000	6.0%	$107,610	$25,030	3.0%	$96,196	$23,420	0.8%	$90,008
1980	$30,120	7.6%	$102,116	$27,200	8.7%	$92,216	$25,190	7.6%	$85,402
1981	$32,850	9.1%	$99,858	$29,580	8.8%	$89,918	$26,200	4.0%	$79,643
1982	$35,680	8.6%	$99,811	$31,700	7.2%	$88,677	$27,720	5.8%	$77,544
1983	$38,180	7.0%	$102,365	$33,490	5.6%	$89,790	$30,480	10.0%	$81,720
1984	$39,770	4.2%	$102,869	$34,560	3.2%	$89,393	$31,510	3.4%	$81,504
1985	$42,560	7.0%	$105,940	$37,090	7.3%	$92,324	$33,230	5.5%	$82,716
1986	$45,560	7.0%	$110,217	$39,720	7.1%	$96,089	$34,870	4.9%	$84,356
1987	$48,740	7.0%	$115,337	$42,290	6.5%	$100,074	$37,460	7.4%	$88,645
1988	$51,080	4.8%	$116,060	$46,060	8.9%	$104,654	$38,230	2.1%	$86,863
1989	$54,240	6.2%	$117,752	$46,920	1.9%	$101,860	$41,200	7.8%	$89,443
1990	$57,520	6.0%	$119,179	$49,610	5.7%	$102,790	$43,000	4.4%	$89,094
1991	$60,450	5.1%	$118,822	$52,190	5.2%	$102,586	$45,050	4.8%	$88,551
1992	$61,950	2.5%	$117,965	$53,750	3.0%	$102,351	$47,700	5.9%	$90,830
1993	$63,250	2.1%	$116,791	$54,240	0.9%	$100,154	$47,820	0.3%	$88,299
1994	$64,860	2.5%	$116,866	$55,690	2.7%	$100,343	$49,120	2.7%	$88,505
1995	$67,560	4.2%	$118,235	$57,090	2.5%	$99,911	$51,490	4.8%	$90,111
1996	$69,750	3.2%	$118,810	$58,520	2.5%	$99,681	$51,560	0.1%	$87,826
1997	$72,220	3.5%	$119,598	$60,481	3.4%	$100,158	$52,752	2.3%	$87,359
1998	$75,154	4.1%	$122,267	$61,839	2.2%	$100,605	$53,024	0.5%	$86,264
1999	$79,284	5.5%	$126,831	$63,817	3.2%	$102,088	$55,326	4.3%	$88,505
2000	$82,535	4.1%	$128,281	$66,657	4.5%	$103,603	$57,089	3.2%	$88,731
2001	$84,007	1.8%	$126,251	$68,828	3.3%	$103,439	$57,932	1.5%	$87,064
2002	$89,631	6.7%	$132,366	$72,770	5.7%	$107,466	$60,997	5.3%	$90,079
2003	$92,387	3.1%	$133,501	$74,545	2.4%	$107,719	$65,730	7.8%	$94,981
2004	$94,606	2.4%	$133,782	$74,872	0.4%	$105,876	$64,439	-2.0%	$91,123
2005	$97,948	3.5%	$134,461	$76,665	2.4%	$105,244	$66,405	3.1%	$91,160
2006	$101,620	3.7%	$134,384	$78,884	2.9%	$104,318	$66,011	-0.6%	$87,294
2007	$106,495	4.8%	$137,281	$81,855	3.8%	$105,518	$68,424	3.7%	$88,204
2008	$111,807	5.0%	$138,979	$85,642	4.6%	$106,455	$71,936	5.1%	$89,418
2009	$115,509	3.3%	$141,603	$88,357	3.2%	$108,318	$74,933	4.2%	$91,861
2010	$116,750	1.1%	$141,766	$89,648	1.5%	$108,857	$74,103	-1.1%	$89,981
2011	$118,054	1.1%	$140,515	$89,808	0.2%	$106,895	$74,092	0.0%	$88,189
2012	$120,955	2.5%	$139,870	$88,940	-1.0%	$102,848	$73,534	-0.8%	$85,033
2013	$123,393	2.0%	$140,353	$88,988	0.1%	$101,219	$74,845	1.8%	$85,132
2014	$126,981	2.9%	$142,213	$90,517	1.7%	$101,375	$77,671	3.8%	$86,988
2015	$130,039	2.4%	$144,585	$91,389	1.0%	$101,612	$79,234	2.0%	$88,097
2016	$133,552	2.7%	$147,496	$95,433	4.4%	$105,397	$84,848	7.1%	$93,707
2017	$134,562	0.8%	$145,927	$97,406	2.1%	$105,633	$84,871	0.0%	$92,039
2018	$138,377	2.8%	$146,756	$99,307	2.0%	$105,320	$88,168	3.9%	$93,507
2019	$141,327	2.1%	$146,841	$100,775	1.5%	$104,707	$91,418	3.7%	$94,985
2020	$145,768	3.1%	$149,123	$102,218	1.4%	$104,571	$91,949	0.6%	$94,065
2021	$145,710	0.0%	$145,710	$102,450	0.2%	$102,450	$91,196	-0.8%	$91,196

**Constant dollars based on inflation measured by the Consumer Price Index.*
Sources: FY1967 - FY1976, NCES; FY1977 - present, AAUP

TABLE F

HIGHER EDUCATION FACULTY SALARIES IN CURRENT AND CONSTANT FY2021 DOLLARS

Illustrative data—Fiscal Years 1967 to 2021

Private Faculty Salaries

Full professor average 9 - 10 month salaries by type of institution

	Category I (Doctoral-Level)			Cat IIA (Comprehensive)			Cat III (Two-Year Colleges)**		
Fiscal year	Amount	Yearly %	Constant FY20 dollars	Amount	Yearly %	Constant FY20 dollars	Amount	Yearly %	Constant FY20 dollars
1967	$16,425	----	$131,363	$11,722	----	$93,750			
1968	$17,057	3.8%	$132,060	$12,572	7.3%	$97,336			
1969	$18,050	5.8%	$133,296	$13,250	5.4%	$97,849			
1970	$18,950	5.0%	$132,134	$14,100	6.4%	$98,316			
1971	$19,800	4.5%	$131,197	$14,950	6.0%	$99,061			
1972	$20,775	4.9%	$132,816	$15,899	6.3%	$101,644			
1973	$21,507	3.5%	$132,313	$16,501	3.8%	$101,516			
1974	$22,600	5.1%	$127,648	$17,200	4.2%	$97,148			
1975	$23,832	5.5%	$121,094	$18,047	4.9%	$91,700			
1976	$25,368	6.4%	$120,408	$19,153	6.1%	$90,908			
1977	$27,810	9.6%	$124,743	$22,020	15.0%	$98,772	$20,780		$93,210
1978	$28,880	3.8%	$121,374	$23,380	6.2%	$98,259	$21,790	4.9%	$91,577
1979	$31,090	7.7%	$119,486	$24,830	6.2%	$95,427	$23,230	6.6%	$89,278
1980	$33,400	7.4%	$113,236	$26,160	5.4%	$88,691	$24,740	6.5%	$83,876
1981	$36,000	7.8%	$109,433	$28,710	9.7%	$87,273	$27,030	9.3%	$82,166
1982	$40,220	11.7%	$112,511	$31,530	9.8%	$88,202	$29,720	10.0%	$83,138
1983	$43,950	9.3%	$117,835	$33,750	7.0%	$90,487	$32,410	9.1%	$86,895
1984	$47,070	7.1%	$121,751	$36,000	6.7%	$93,117	$34,140	5.3%	$88,306
1985	$49,880	6.0%	$124,160	$37,980	5.5%	$94,539	$36,500	6.9%	$90,855
1986	$53,190	6.6%	$128,675	$40,170	5.8%	$97,178	$38,200	4.7%	$92,412
1987	$56,900	7.0%	$134,647	$42,680	6.2%	$100,997	$40,460	5.9%	$95,744
1988	$59,850	5.2%	$135,987	$44,010	3.1%	$99,996	$42,540	5.1%	$96,656
1989	$64,290	7.4%	$139,570	$47,010	6.8%	$102,056	$44,770	5.2%	$97,193
1990	$68,360	6.3%	$141,639	$51,000	8.5%	$105,670	$46,830	4.6%	$97,030
1991	$72,950	6.7%	$143,392	$52,820	3.6%	$103,824	$49,610	5.9%	$97,514
1992	$76,890	5.4%	$146,414	$54,980	4.1%	$104,693	$52,230	5.3%	$99,456
1993	$80,280	4.4%	$148,236	$57,060	3.8%	$105,361	$54,620	4.6%	$100,855
1994	$82,520	2.8%	$148,686	$59,610	4.5%	$107,406	$56,780	4.0%	$102,307
1995	$84,790	2.8%	$148,388	$60,830	2.0%	$106,457	$58,040	2.2%	$101,574
1996	$88,050	3.8%	$149,982	$63,430	4.3%	$108,045	$59,830	3.1%	$101,913
1997	$92,112	4.6%	$152,540	$64,468	1.6%	$106,761	$62,047	3.7%	$102,751
1998	$95,023	3.2%	$154,592	$67,282	4.4%	$109,460	$64,784	4.4%	$105,396
1999	$98,606	3.8%	$157,741	$69,509	3.3%	$111,194	$67,180	3.7%	$107,468
2000	$103,761	5.2%	$161,272	$71,547	2.9%	$111,203	$70,528	5.0%	$109,619
2001	$107,633	3.7%	$161,758	$75,143	5.0%	$112,930	$74,031	5.0%	$111,258
2002	$112,534	4.6%	$166,188	$77,310	2.9%	$114,170	$76,692	3.6%	$113,258
2003	$118,269	5.1%	$170,901	$80,011	3.5%	$115,618	$79,928	4.2%	$115,498
2004	$122,158	3.3%	$172,743	$81,570	1.9%	$115,347	$82,344	3.0%	$116,442
2005	$127,214	4.1%	$174,637	$83,986	3.0%	$115,294	$85,575	3.9%	$117,476
2006	$131,292	3.2%	$173,623	$88,800	5.7%	$117,431	$87,779	2.6%	$116,081
2007	$136,689	4.1%	$176,204	$91,197	2.7%	$117,561	$90,353	2.9%	$116,473
2008	$144,428	5.7%	$179,527	$95,114	4.3%	$118,229	$94,139	4.2%	$117,017
2009	$151,403	4.8%	$185,606	$99,555	4.7%	$122,045	$98,808	5.0%	$121,130
2010	$153,332	1.3%	$186,186	$99,963	0.4%	$121,382	$98,098	-0.7%	$119,117
2011	$157,282	2.6%	$187,206	$101,290	1.3%	$120,561	$99,976	1.9%	$118,997
2012	$162,561	3.4%	$187,982	$103,094	1.8%	$119,216	$101,568	1.6%	$117,451
2013	$167,118	2.8%	$190,088	$104,186	1.1%	$118,506	$104,335	2.7%	$118,675
2014	$173,890	4.1%	$194,749	$107,082	2.8%	$119,927	$106,641	2.2%	$119,433
2015	$177,600	2.1%	$197,466	***	***	$118,812	$108,741	2.0%	$120,905
2016	$177,513	0.0%	$196,046	***	***	$117,754	***	***	$111,193
2017	$181,416	2.2%	$196,738	***	***	$119,430	***	***	$114,960
2018	$189,889	4.7%	$201,387	***	***	$123,133	***	***	$130,193
2019	$195,995	3.2%	$203,643	$117,355	1.1%	$121,934	$125,025	1.8%	$129,903
2020	$203,221	3.7%	$207,899	$118,076	0.6%	$120,794	$127,137	1.7%	$130,063
2021	$202,623	-0.3%	$202,623	$116,452	-1.4%	$116,452	$125,420	-1.4%	$125,420

** Constant dollars based on inflation measured by the Consumer Price Index.*
*** Data collection by AAUP did not begin until FY1977 for this category.*
**** Due to a change in the methodology used by AAUP there was a discontinuity and these data cannot be cited reliably.*
Sources: FY1967 – FY1976, NCES; FY1977 – present, AAUP

Sources

Data for the eight HEPI components is gathered from the following sources:

- Faculty Salaries: American Association of University Professors Survey Report
- Administrative Salaries: CUPA-HR 2021 Higher Ed Workforce Surveys
- Clerical: U.S. Bureau of Labor Statistics Employment Cost Index
- Service Employees: U.S. Bureau of Labor Statistics Employment Cost Index
- Fringe Benefits: American Association of University Professors Survey Report
- Miscellaneous Services: U.S. Bureau of Labor Statistics Employment Cost Index
- Supplies and Materials: U.S. Bureau of Labor Statistics Producer Price Index (17 selected categories)
- Utilities: U.S. Bureau of Labor Statistics Producer Price Index (4 selected categories)

commonfund

New York, NY 10017	Tel (646) 348-9201
San Francisco, CA 94111	Tel (415) 433-8800
London, United Kingdom	Tel +44 020 8126 1628
Beijing, China	Tel +86 10 5759 3208
15 Old Danbury Road Wilton, CT 06897	Tel 888-TCF-Main Tel (203) 563-5000 www.commonfund.org