



## Why Private College?

The most important decision many high school students make is where to go for college. There are so many options! Large school versus small, close to home versus distant, urban versus suburban versus rural, extracurricular activity offerings, public versus private, etc ... it can be hard to decide.

Private college is more than just the Ivy League and other "elite" schools. In fact, 21% of all college students in the United States attend a private college or university.

There are numerous benefits that private college provide that many students and families may not be aware of.

Here is a partial list:

- **Class Size:** Private colleges have a significantly higher percentage of classes with fewer than 20 students.
- **Student/Faculty Ratio:** Private colleges have an average student/faculty ratio of 13:1, versus 20:1 for an average public college. This allows for more personal attention from faculty.
- **Mentors:** Students at private colleges are more likely to find mentors, which leads to better job prospects and greater satisfaction with their college experience.
- **Full-time Faculty:** Classes are more likely to be taught by full-time faculty rather than by graduate students. Students will get to know their professors better.
- **Faith-Based:** Many private colleges are faith-based, making it easier for students to find colleges with shared religious values.

- **Graduate Sooner:** Students at private college are more likely to graduate in four years. According to the most recent U.S. Department of Education statistics, 53% of private college students graduate in four years versus 33% of public college students.
- **Career Earnings:** Over a lifetime of work, private college graduates earn 10% to 20% more than public college graduates, even accounting for private college's higher published tuition.
- **Alumni Affairs:** Private college students are more likely to be active in alumni affairs after graduation.
- **Financial Independence:** Private colleges are not reliant on state subsidies. This allows for more flexibility regarding providing financial assistance and academic offerings.
- **Lower Loan Default Rates:** Graduates of private colleges default on their student loans at a much lower rate than graduates of public colleges.

**About Published Tuition Costs:** The average published tuition of private college is much higher than public colleges. However, the sticker price is not the price most students will have to pay. Except for approximately 60 extremely selective schools that award financial aid only on the basis of need, most private colleges provide merit scholarships, often reducing a family's out-of-pocket costs to a level competitive to major state universities.

**Opportunity Cost:** This is the cost to a student who spends an extra year (or more) in college, not earning income.

Think of it this way: it's better to earn an income of \$40,000 after four years of college than to pay \$20,000 or more for a fifth year of college. If you take this into account, the cost difference between private and public higher education can almost disappear.

The table below illustrates the idea:

	Private College	Public College
Tuition	\$40,000	\$8,000
Room, Board, Etc.	\$15,000	\$15,000
Total	\$55,000	\$23,000
Less: Scholarship	\$15,000	0
Net Cost for 1 year	\$40,000	\$23,000
Total at Graduation	\$160,000 (4 years)	\$115,000 (5 years)
Plus: Opportunity Cost (One-year wages lost)	0	\$40,000
True Cost	\$160,000	\$155,000

Private colleges and universities are a crucial part of the American higher education system. They offer a crucial alternative to the vast public higher education system, allowing students to get a more intimate education with better long-term results at a reasonable price.