

# Independent Sector Public Service Expenditures

POSITIVE CHANGE THROUGH PUBLIC SERVICE

# **Background**

Independent colleges and universities in New York State contributed an estimated \$95 billion to the state's economy and supported more than 400,000 campus and spillover jobs in fiscal year 2020-21. These institutions enroll 44 percent of the 1.1 million students enrolled in postsecondary education in the state and award half of the degrees earned.

Independent colleges and universities are major employers, purchasers of goods and services, and builders. In addition, their impact extends beyond the traditional realm of teaching and research, fostering a broader impact on the community.

In total, private nonprofit colleges and universities in New York State spent \$571 million on public service activities in 2021-22. Many colleges and universities use a part of endowment income to fund public service initiatives in their local communities.

### **Public Service Expenditures Defined**

Public Service Expenditures (PSE) represent a distinct category within an institution's financial landscape, encompassing expenses incurred for activities primarily aimed at providing non-instructional services beneficial to external individuals and groups.<sup>1</sup> Examples of PSE include:

- <u>Conferences and institutes</u>: Hosting events that disseminate knowledge and expertise to the community. This could include open forums, workshops, and training programs geared towards the public.
- <u>General advisory services</u>: Expertise provided by university faculty, staff, and students to provide professional guidance and support to external organizations.
- Reference bureaus: Offering research assistance and information resources accessible to the public.
- <u>Community services</u>: Operating libraries, museums, cultural centers, or other facilities that serve the local population.
- <u>Cooperative extension services</u>: Extending research and educational resources to farmers and rural communities.
- <u>Public broadcasting services</u>: Owning and operating radio or TV stations that broadcast educational and cultural content.

Private nonprofit colleges and universities are committed to work in their communities to bring about positive change through public service.

## **PSE by Sector and Region**

In 2021-22, private nonprofit colleges and universities spent \$571 million on public service activities in every region of the state, and the spending was nearly equal between upstate (52%) and downstate (48%) regions.

In total, the Independent Sector accounted for 70 percent of the \$819 million in total higher education PSE.<sup>2</sup>

Updated 2/23/2024 2

<sup>&</sup>lt;sup>1</sup> Source: Integrated Postsecondary Education Data System (IPEDS), expenses by function and natural classification.

<sup>&</sup>lt;sup>2</sup> Source: IPEDS. Some PSE may be accounted for in other financial classifications, which are not shown in this analysis.

Sector	PSE in Millions	Percent of Total PSE
Independent	\$571	70%
SUNY	\$164	20%
CUNY	\$84	10%
Proprietary	\$0.1	0%
Grand Total	\$819	100%

# **Independent Campuses are Community Partners**

New York's independent campuses strive to make a significant difference in the lives of others, benefitting both individuals and society.

Campuses and Communities are Partnering to:

- Preserve affordable housing
- Revitalize neighborhood parks
- Assist new businesses
- Mentor refugees
- Improve community health
- Organize art and cultural events
- Support humane societies
- Link diverse service agencies
- Reduce hunger and homelessness
- Register voters
- Strengthen literacy
- Improve nutrition
- Reduce local carbon footprint
- Engage with senior citizens

In essence, PSE represents the financial resources universities dedicate to contributing to the social and intellectual well-being of the surrounding community. These expenditures go beyond the direct instruction of students and contribute to the university's role as a public good and an engine for positive societal impact.

Updated 2/23/2024 3