

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. ¹ 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.²

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, independent colleges and universities in New York State spent nearly \$600 million on public service activities in 2021-22.3 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.⁴ 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, or cultural centers; hosting cultural
 events and concerts; providing tutoring for high school, middle school, and elementary
 school students; revitalization of neighborhood parks; improving community health;
 supporting humane societies; reducing hunger and homelessness; engaging with senior
 citizens; and, voter registration.
- <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.

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

PSE by Sector

We estimate that New York State's Independent Sector colleges and universities spend \$597 million on public service activities annually. In total, the Independent Sector accounts for 71 percent of the \$846 million in total higher education PSE in New York State.⁵

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¹ CICU economic impact study of private nonprofit (also known as independent) colleges and universities in New York State, 2021-

² Integrated Postsecondary Education Data System (IPEDS), fall 2022.

³ Amount is estimated using data from IPEDS (2021-22) and from CICU's research. Totals are rounded for clarity.

⁴ IPEDS, expenses by function and natural classification.

⁵ IPEDS (2021-22) and CICU's research. Totals are rounded for clarity. Some PSE may be accounted for in other financial classifications, which are not shown in this analysis.

Sector	PSE	Percent of Total PSE
Independent	\$597.0 million	71%
SUNY	\$164.4 million	19%
CUNY	\$84.4 million	10%
Total PSE	\$846 million	100%

On average, after considering combined PSE of \$597 million and other voluntary payments, fees, and assessments totaling \$15.8 million, Independent Sector colleges and universities provide \$613 million annually to their communities.

Conclusion: Independent Campuses are Community Partners

New York State's independent colleges and universities extend beyond the direct instruction of students and contribute to higher education's role as a public good and an engine for positive societal impact. In essence, PSE and other voluntary payments to communities represent the financial resources universities dedicate to making a significant difference in the lives of others, benefitting both individuals and society.

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