



HIGHER EDUCATION

The higher education industry consists of public colleges and universities, private nonprofit schools, and a small but very rapidly growing number of private for-profit educational firms.



CAPTRUST Experience

Clients at a Glance

Clients - 116
 AUM - \$84.3 billion
 Plans / Pools - 427
 Plan / Pool Types - DC (362), NQ (54), OAP (8), E/F (5), DB (3)
 Top Providers - TIAA (230), Fidelity (82), VALIC (22), Vanguard (12), Principal (6)

Experienced Advisors

- Beryl Ball (10)
- Jim Edwards (4)
- Shaun Eskamani (9)
- Errol Hau (6)
- Wat Keys (14)
- Jeff Loehwing (8)
- Mike Pratico (4)
- Barry Schmitt (12)
- Andrew Shimp (5)
- Jim Strodel (14)

Industry Background

Points of Interest

- Since 2000, average annual tuition increases have been between less than 1% and 5.9% for private institutions and up to 11% for public colleges
- Labor is the biggest cost for universities and college, accounting for up to 75% of expenses at most institutions
- State funding of public higher education institutions in the U.S. declined by 16% between 2008-2017
- Rising cost burden of higher education has led to declining enrollment

Common Terms

- Academic
- Accredited
- Administration
- Curriculum
- Faculty
- Grant
- Institution
- Peers
- Staff

External Resources

- American Association of University Professors
www.aaup.org
- American Council on Education
www.acenet.edu
- Association of American College & Universities
www.aacu.org
- College and University Professional Association for Human Resources
www.cupahr.org
- National Association of College and University Business Officers
www.nacubo.org
- National Education Association
www.nea.org



For the Challenger

Clients Outcomes

- Improved processes
- Reduced plan expenses
- Enhanced governance
- Improved fund lineup
- Improved relationship with recordkeeper
- Consolidated multiple vendors
- Implemented PAS
- Auto-enrollment

Challenges

Corporate

- Recruiting and retaining top professors
- Increasing need to provide financial aid
- Reducing need for students to take out loans
- Getting grants for research
- Aging faculty/staff
- Declining enrollment
- Budget constraints
- Title IX issues
- Lawsuits
- Growth of online learning

Retirement

- Managing the dynamic of multiple recordkeepers
- Increasing demand for SRI
- Helping faculty retire on a timely basis
- Frozen contracts
- Growth of MEPs at private universities
- Growth of consortiums at private universities
- Integration of TIAA participant advice with CAPTRUST participant advice

Notes