



PRIVATE SCHOOLS

The private school industry is comprised of elementary, middle and secondary schools which are privately owned and funded without the assistance of local, state or federal governments and require tuition to attend.



CAPTRUST Experience

Clients at a Glance

Clients - 42
 AUM - \$1.3 billion
 Plans / Pools - 76
 Plan / Pool Types - DC (60), NQ (15), OAP (1)
 Top Providers - TIAA (72)

Experienced Advisors

- Beryl Ball (1)
- Mark Davis (1)
- Matt Doyle (1)
- Shaun Eskamani (3)
- Wat Keys (29)
- Mike Maresh (1)
- Patrick Marlatt (1)
- Steve Schott (1)
- Jim Strodel (1)
- Jimmy Talton (3)

Industry Background

Points of Interest

- Total enrollment in private institutions has declined consistently over the past decade
- Revenue from private schools is expected to reach \$78 billion in 2019
- Approximately 90% of private schools server fewer than 300 students
- The U.S. has approximately 35,000 private primary and secondary schools with a total enrollment of 4.9 million students

Common Terms

- Academic
- Curriculum
- Enrollment
- Faculty
- Headmaster
- Institution
- Prep
- Staff

External Resources

- Council for American Private Education
www.capenet.org
- National Association of Independent Schools
www.nais.org
- National Independent Private Schools Association
www.nipsa.org



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For the Challenger

Clients Outcomes

- Benchmarking plan design provisions with other private schools led to better plan design provisions
- Fee benchmarking reduces fees significantly especially when not working with an advisor before
- Reduction in costs
- Move to group contracts
- Fee leveling
- Participant advice

Challenges

Corporate

- Serving the needs of teachers and administration
- Aging workforce
- Unions
- Enrollment
- Budget issues
- Potential litigation similar to higher ed
- Survival of private k-12 boarding schools
- Charter schools vs. private schools
- Tight labor market

Retirement

- Participant responsibility for planning and monitoring account
- Growth of state-wide MEPs
- TIAA (contract transition, fees, overall service)
- Difficulty in leaving TIAA (investments, industry ownership by TIAA)
- Plan design issues
- Fee leveling
- Understanding fiduciary role
- Individual annuity participant contract understanding
- Lack of quality recordkeepers

Notes