2026 ANNUAL REPORT

The State of Higher Education in America

Trends, challenges, and opportunities shaping colleges and universities — enrollment and admissions, the changing applicant, the financial reality, the global picture, AI and technology, workforce alignment, and the road to 2030.

K12 Academics — helping students Find Your Community! since 2004

U.S. higher education · Published 2026 · For institutions · leaders · students · partners

19.4M
Total postsecondary students (fall 2025)

1.2M
International students — a record high

57%
Record private tuition discount rate

16
Nonprofit colleges that closed in 2025

EXECUTIVE SUMMARY

Recovery on the surface, reinvention underneath

American higher education is growing again — three straight years of gains — but the growth is uneven and the ground is shifting. Ten findings define the year.

01 **From growth to outcomes.** Institutions shift from enrollment-growth to retention- and outcomes-focused models.

02 **Uneven recovery.** Total enrollment rose ~1% to 19.4M — a 3rd straight year — but wins are concentrated.

03 **Short credentials lead.** Community colleges (+3%) and certificates (+28% since 2021) grow fastest.

04 **Private four-years squeezed.** Undergrad fell 1.6% at private nonprofits; 16 closed in 2025.

05 **Sticker price is fiction.** Private discounting hit a record ~57% — most pay well under list.

06 **Cost decides.** 46% call cost the #1 factor, yet real prices are hard to find.

07 **Testing returns at the top.** 6 of 8 Ivies require SAT/ACT for 2026–27; most stay test-optional.

08 **Global warning light.** International hit a record 1.2M, but new enrollment fell 17% on tighter visas.

09 **AI goes mainstream.** Institution-wide AI adoption jumped from 49% to 66% in a year.

10 **The cliff is here.** Flat high-school-graduate numbers reward flexible, career-aligned, findable schools.

! Biggest challenges

- The demographic cliff — flat/declining high-school graduates.
- Private-college fragility; the Fed models up to 80 more closures in 5 years.
- International & visa uncertainty as approvals tighten.
- $1.84T in student debt and distrust of high-sticker pricing.
- Governing AI faster than it is adopted.

★ Biggest opportunities

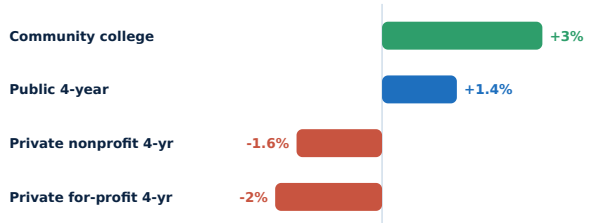
- Adult, online & career-focused learners.
- Certificates and stackable credentials as affordable pathways.
- AI-enabled advising & tutoring that lift retention.
- Price transparency and clear outcomes as advantages.
- Employer partnerships & transfer pipelines.

A recovering system, splitting into winners and strugglers

The U.S. has roughly 5,500 aid-eligible institutions — public and private, four-year and two-year, research universities and liberal-arts colleges, plus a fast-growing online sector. Enrollment is climbing for a third year, but the sector-by-sector picture is where the story lives.

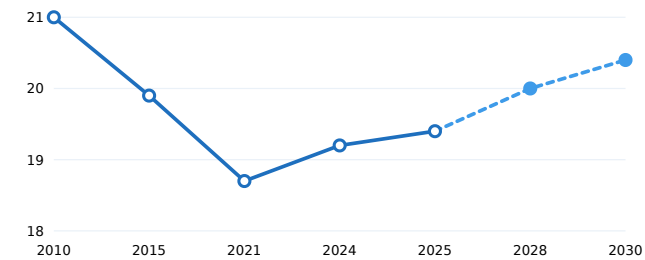
Enrollment change by sector, fall 2025

YoY undergraduate change



Total enrollment, 2010 → 2030

Headcount (M); dashed = projected



The landscape at a glance

Most recent federal & sector data

19.4M	**total students** — 16.2M undergrad, 3.2M grad; a 3rd straight year of growth.
+3.0%	**community colleges** led all sectors; public 4-year rose 1.4%.
−1.6%	**private nonprofit** four-year undergrad fell; for-profit dropped 2.0%.
~5,500	**degree-granting institutions** eligible for federal aid nationwide.

SECTION 2 — THE CHANGING COLLEGE APPLICANT

Students shop like consumers — and start with a search

Today's applicant weighs cost, career outcomes, fit, and support, and researches institutions online first. This is the discovery journey K12 Academics is built for — the moment long before an application.

What drives the choice

How students decide where to apply

46%	**Cost** is the single most important factor.
Career	**Outcomes & ROI** now rival academic reputation — jobs, salaries, internships.
Fit	**Location, culture & support** — including mental-health resources — weigh heavily.
More	students expect **flexibility, technology & personalization** as standard.

The student research journey

Where students discover institutions — search leads

01 · DISCOVER

Search & rankings

Google, rankings, and directories start most lists.

02 · EXPLORE

Sites & socials

College websites, social media, virtual tours.

03 · VALIDATE

People

Counselors, family, current students.

04 · DECIDE

Fit & cost

Outcomes, price, and culture close it.

Being **findable and clearly presented** in step one is decisive — exactly what a directory like K12 Academics delivers.

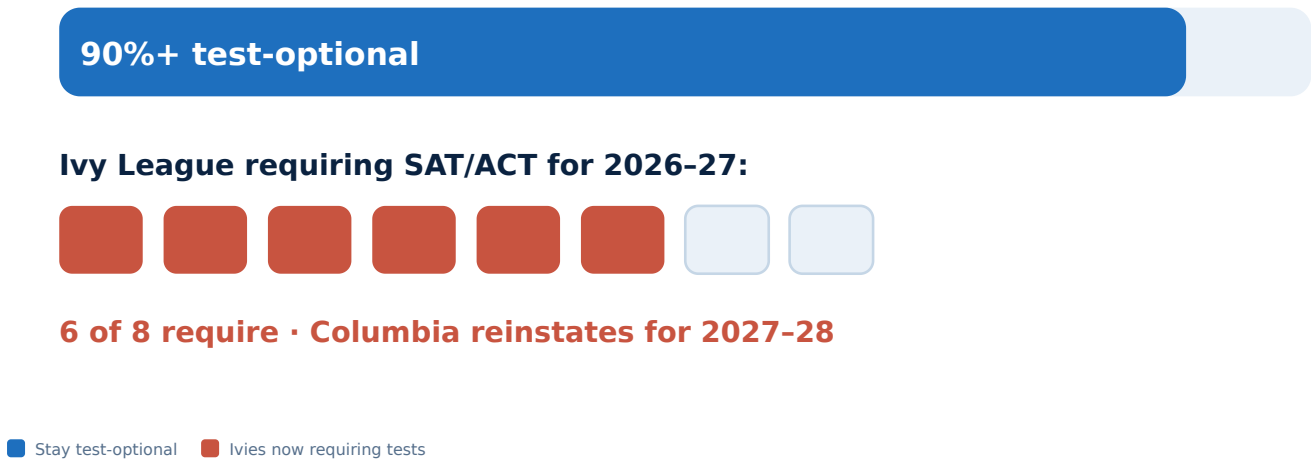
SECTION 3 — COLLEGE ADMISSIONS TRENDS

More applications, tighter tops, and testing's return

Application volume keeps climbing as students apply to more schools, selective admissions grow more competitive, and the test-optional era fractures — elite institutions bring tests back while the broad middle holds test-optional.

The test-optional split, 2026

Two directions at once



What's changing in admissions

Volume, selectivity & strategy

90%+	of ranked four-year colleges remain **test-optional** for fall 2026 (FairTest).
6 of 8	**Ivies now require** the SAT/ACT for 2026–27; Columbia is the last to reinstate.
More apps	Common App volume keeps rising as students **apply to more schools**, compressing yield.
Data	**Enrollment management** leans on predictive analytics, yield modeling & personalized outreach.

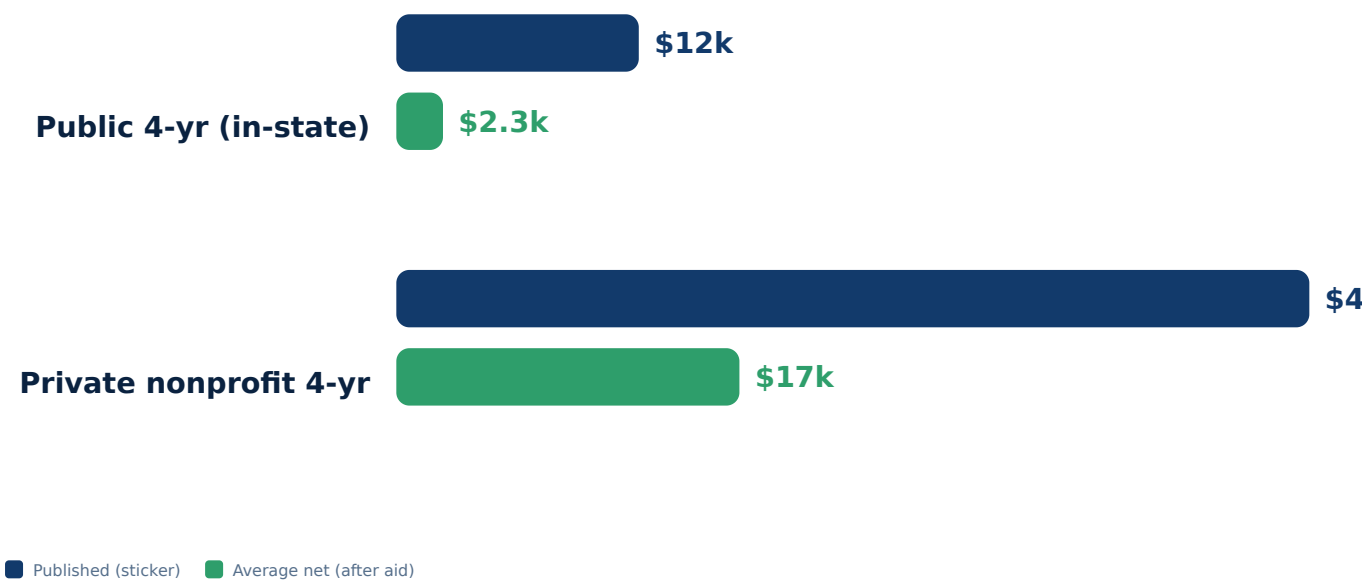
SECTION 4 — THE FINANCIAL REALITY

The price on the website is almost never the price

Higher education's business model is under visible strain: published tuition rises while discounting hits record highs, net revenue slips, student debt tops $1.8 trillion, and the most tuition-dependent colleges are running out of runway.

Sticker price vs. what students pay

Average published vs. net tuition & fees, 2025–26



The money, in four numbers

Cost, aid, debt & institutional health

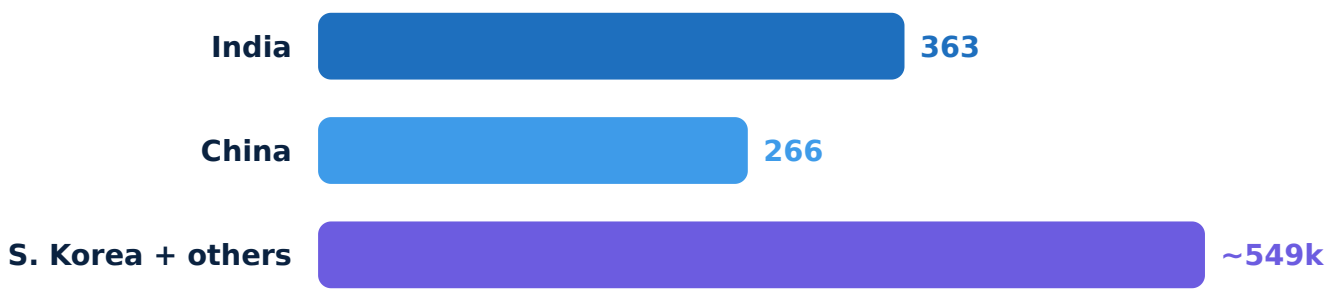
~57%	record **tuition discount rate** for first-time undergrads at private colleges; ~90% get aid.
$1.84T	total **student loan debt**; ~$29,560 average for the class of 2024.
$2,300	average **net** in-state tuition at public four-years — far below the ~$11,950 sticker.
Up to 80	more colleges could **close in five years** (Federal Reserve model); mergers are rising.

A record high — with a warning light flashing

International enrollment reached an all-time high near 1.2 million and added about $55 billion to the U.S. economy. Yet new-student enrollment fell sharply this fall as visa approvals tightened — the pipeline feeding graduate and STEM programs is more fragile than the headline suggests.

Top places of origin, 2024–25

International students in the U.S. (thousands)



Global picture & headwinds

Scale, value & risk

1.18M	international students — a record; **6% of all U.S. higher-ed** enrollment.
$55B	contributed to the U.S. economy; **355,000+ jobs** supported.
−17%	**new international enrollment** fell this fall; F-1 visa approvals dropped sharply.
India China	together account for **~53%** of international students; OPT participation is surging.

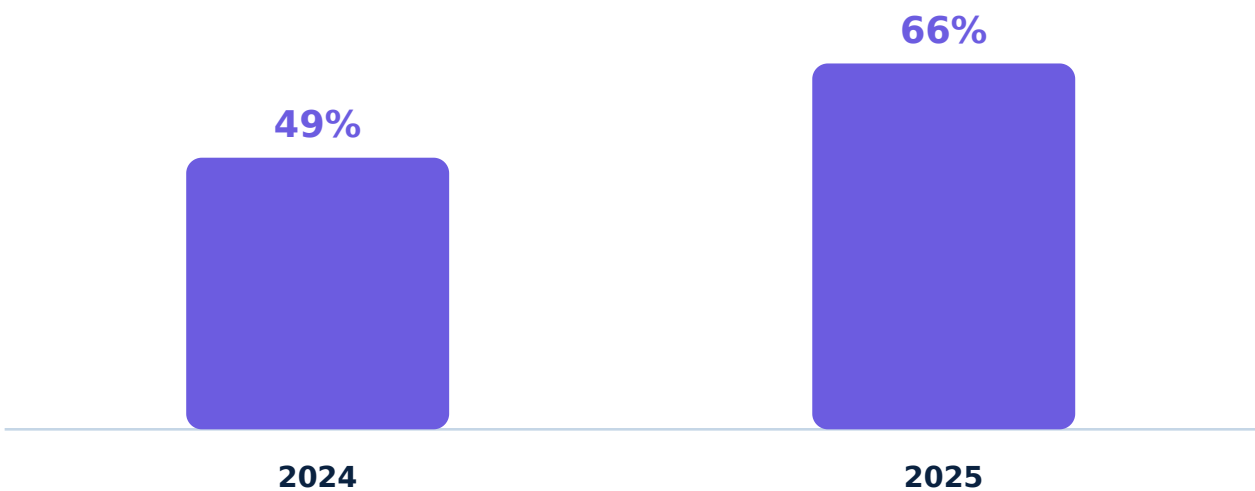
SECTION 6 — TECHNOLOGY TRANSFORMATION

AI moved from pilot to infrastructure

In a single year, institution-wide AI adoption leapt as campuses put generative AI to work in teaching, research, advising, and operations — now alongside online degrees, hybrid programs, microcredentials, and learning analytics as core infrastructure.

Institution-wide AI adoption

Share of higher-ed institutions, year over year



Where technology is landing

AI, online & the digital campus

86%	of educational organizations have **adopted generative AI** — the highest of any sector.
AI	used for **teaching assistants, research, advising & administrative automation**.
+28%	growth in **undergraduate certificates** since 2021 — micro-credentials are scaling.
Digital	**online degrees, hybrid programs & learning analytics** are now mainstream infrastructure.

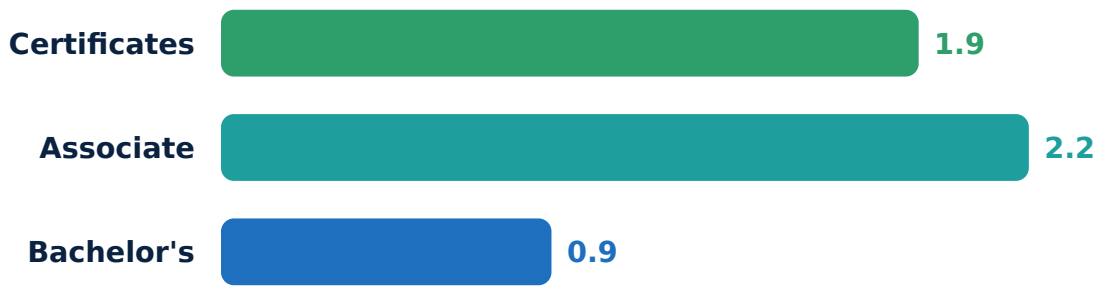
SECTION 7 — WORKFORCE-ALIGNED EDUCATION

Value is being redefined as a job, not just a degree

Families increasingly judge institutions by employment and salary outcomes, and the fastest-growing programs are the ones with the clearest career line. Short, stackable credentials are eating into the traditional degree's monopoly.

The credential shift

Year-over-year growth by credential, fall 2025



Where demand is concentrating

Careers, programs & credentials

Jobs	**Employment & salary outcomes** and industry partnerships now anchor value.
Fields	fastest-growing programs cluster in **AI, cybersecurity, healthcare, engineering & data science**.
Stack	**certificates, badges & professional programs** are outgrowing four-year degrees.
OPT	international students increasingly pick schools for **career & work-experience** pathways.

SECTION 8 — THE FUTURE OF UNIVERSITIES (2030 OUTLOOK)

The university of 2030: flexible, personalized, accountable

The decade ahead rewards institutions that adapt. Demographics pull enrollment down while AI, choice-minded students, and employer demand pull the model toward flexibility, personalization, and provable outcomes.

↑ Tailwinds

- **AI-enhanced, personalized learning** and global classrooms.
- **Flexible degrees** and stackable credentials matched to careers.
- **Employer partnerships** turning programs into hiring pipelines.
- **Adult & online learners** extending the market.

↓ Headwinds

- **The demographic cliff** — fewer traditional-age students.
- **Financial fragility** for tuition-dependent institutions.
- **Global uncertainty** around visas and demand.
- **Trust & value** questions about cost and outcomes.

AI

AI-enhanced learning
Tutoring, advising & feedback personalized at scale.

Flexible degrees
Modular, stackable pathways across providers.

Global classrooms
Borderless, online-first access worldwide.

→

Employer partnerships
Programs designed with — and hiring into — industry.

SECTION 9 — RECOMMENDATIONS

What to do with this — for each audience

The data points to clear, practical moves for the three groups navigating this landscape.

FOR UNIVERSITIES

Get found, then deliver

- → Improve digital visibility where discovery starts.
- → Publish clear price & outcome information.
- → Use data-driven, personalized recruitment.
- → Invest in student experience & retention.
- → Strengthen career outcomes & employer ties.

FOR STUDENTS & FAMILIES

Evaluate fit and value

- → Judge institutions on outcomes, not sticker price.
- → Use net-price calculators — most pay far less.
- → Check testing policies school by school.
- → Weigh flexibility, support & career pathways.
- → Research fit early and widely.

FOR EDUCATION PARTNERS

Support innovation

- → Back transparency & outcomes tools.
- → Build institutional partnerships & pipelines.
- → Invest in accessible, flexible learning.
- → Help students navigate discovery & choice.
- → Connect programs to workforce demand.

Contact K12 Academics

Questions about this report, or about listing your institution or program? We'd love to hear from you.

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Methodology & sources

How this report was assembled, what the terms mean, and where the numbers come from.

Method & definitions

This report synthesizes the most recent publicly available data from federal agencies, higher-education associations, and research organizations, current as of publication in 2026. "Enrollment" figures are fall-term headcounts; "net price" is published tuition and fees minus institutional grant aid. Sector categories follow federal (IPEDS) conventions.

Limitations

Federal data can lag year-to-year change; admissions, visa, and AI-adoption figures move quickly and vary by source and definition. Percentages are rounded. Projections are illustrative, not forecasts, and assume current trends hold.

Primary sources

- National Student Clearinghouse Research Center — fall 2025 enrollment
- NCES / IPEDS — institutions & enrollment
- WICHE — high-school graduate projections
- NACUBO — tuition discounting study
- College Board & EducationData — tuition, net price & debt
- IIE Open Doors — international student data
- FairTest & institutional admissions offices — testing policy
- Ellucian / Digital Education Council — AI adoption
- Inside Higher Ed, BestColleges & Federal Reserve Bank of Philadelphia — closures & health

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