

## 2 . Financial costs of private universities and colleges

# 2. Financial costs of private universities and colleges (1)

## Transition of ordinary expenses subsidies for private university

**Private Schools Act**      Established in 1949 (Showa 24)

【Purpose】 To promote the sound development of Private schools by taking account of their characteristic features, putting a high value on their autonomy, and enhancing their public nature.

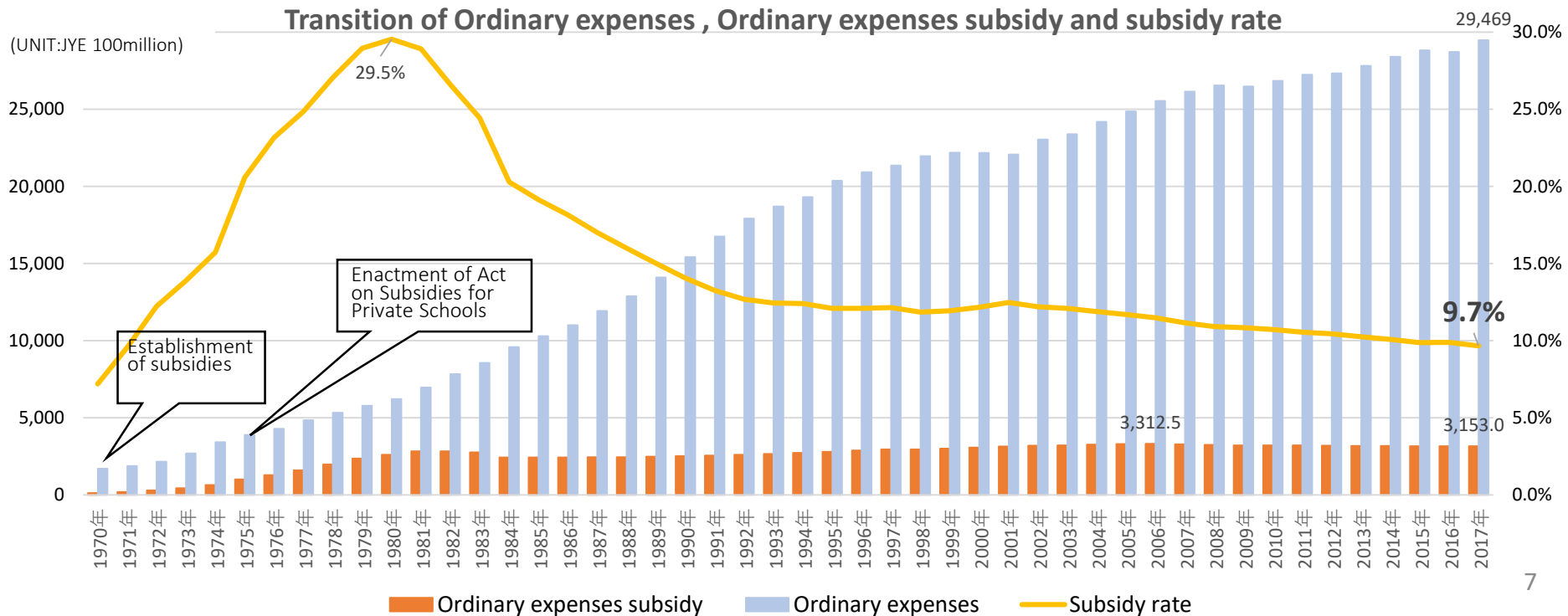
**Act on Subsidies for Private Schools**      Established in 1975 (Showa 50)

【Purpose】 To maintain and improve the educational conditions of private schools, reduce the financial burden on students in private schools, and enhance sound governance of private schools by prescribing subsidies for private schools from national and local governments in view of the important role played by private schools in school education. Consequently, to promote the sound development of private schools.

Article 4      The State may subsidize a school corporation that establishes a university or a college of technology within half of the ordinary expenses related to education or research at the school.

**Basic Act on Education**      Established in 1947(Showa 22) All revisions in 2006 (Heisei 18)

Article 8      Taking into account the public nature of privately established schools and their important role in school education, the national and local governments shall endeavor to encourage private school education through subsidies and other appropriate means, while respecting school autonomy.



## 2. Financial costs of private universities and colleges (2) Purpose of certification evaluation system

### Japan University Accreditation Association (JUAA)

#### ○ University Standards

The University Standards serve as criteria for university accreditation conducted by the Japan University Accreditation Association. They also serve as a guideline for the university to maintain appropriate standards and enhance its potential

#### ○ University Standards Rationale

Universities use the Standards as criteria

- For conducting thorough self-study
- For universities aspiring to full JUAA membership, the standards direct their endeavors to improving their organization
- Full members verify their day-to-day operations against the standards to enhance their development

Each item in the University Standards has been **designed to respect the autonomy of the institution in accordance with its mission and standing**, while pointing out matters requiring attention for universities to fulfill their role

### National Institution for Academic Degrees and Quality Enhancement of Higher Education (NIAD-QE)

#### ○ In order to maintain and enhance the quality of higher education and research at universities in Japan and contribute to the development of their individuality and diversity, NIAD-QE conducts the institutional certified evaluation and accreditation of universities for the following purposes and policies

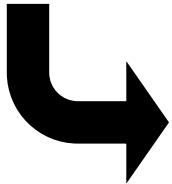
- **To assure the quality** of education and research of universities
- **To enhance the quality** of education and research of universities in keeping with their respective missions, **promote improvement**, and **develop their strengths**
- **To assist universities in gaining public understanding of and support** for their education and research activities

### Japan Institution for Higher Education Evaluation (JIHEE)

#### ○ Evaluation Objectives

The evaluations conducted by JIHEE at the behest of the institutions of higher education are implemented in accordance with the following objectives for the purpose of contributing to the further development of the universities of Japan.

- To evaluate the overall situation of educational and research activities of institutions of higher education, on the basis of the Evaluation Standards developed by JIHEE taking into consideration the analysis of the results of Self-Inspection and Evaluation; and to verify the Self-Inspection and Evaluation and to support the institutions' efforts to strengthen internal quality assurance on their own initiative.
- **To assist and promote the autonomous development** of educational and research activities on each institution's individuality and distinctive qualities through evaluation that considers the institution's individuality and distinctive qualities.
- To provide support that enables institutions of higher education **to attain the backing of the general public through appropriate** disclosure of the overall state of their educational and research activities.

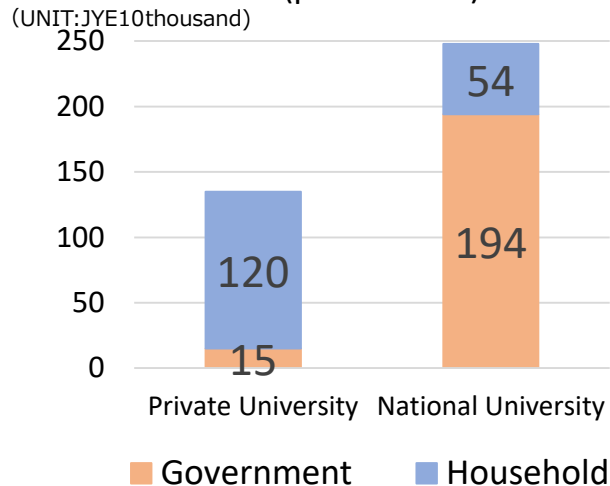


**Respect for independence and autonomy**  
**Respect, support and promotion of individuality**  
**Acquisition of understanding and support from society**

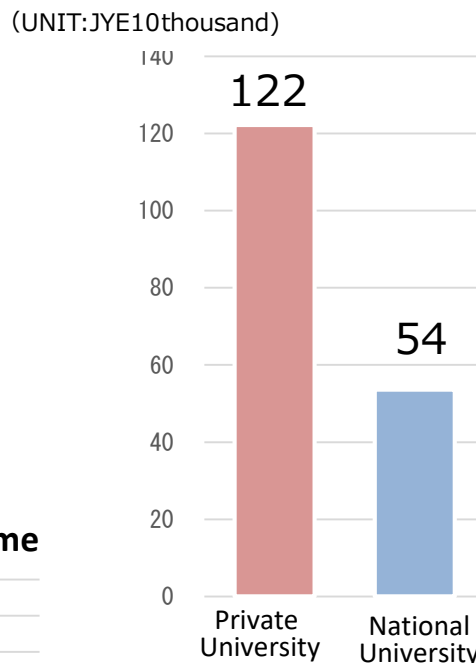
## 2. Financial costs of private universities and colleges (3)

Disparity between national universities and private universities

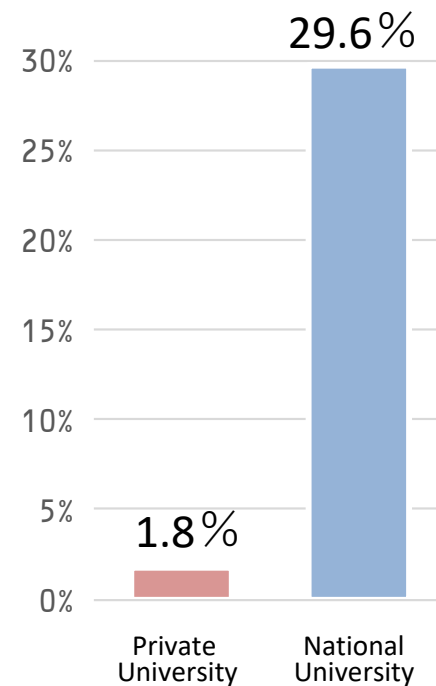
Government burden and Household burden on annual educational expenses (per student)



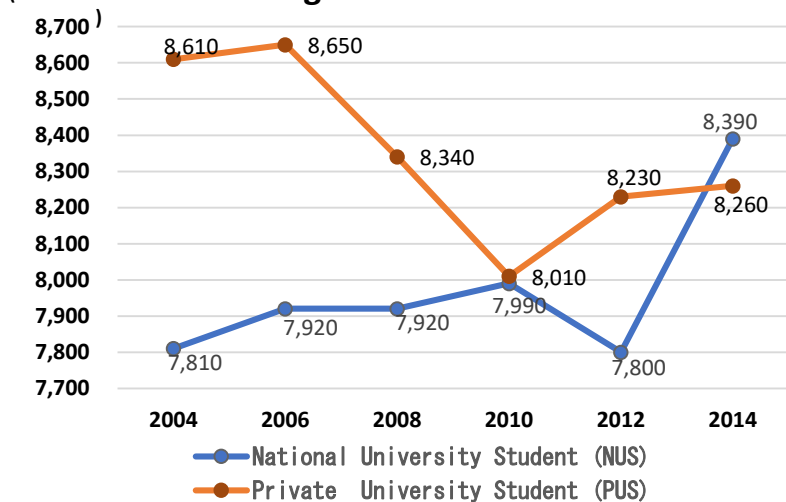
Difference in annual tuition fees between private universities and national universities



Percentage of students receiving tuition reduction / exemption measures (2014)



Average of annual household income



Average tuition fees

UNIT: JYE10thousand

Humanities and Social Science	99
Science and engineering	137
Medicine and Dentistry	520
Pharmacy	185
Others	118

※Made by JAPUC based on the "Student Life Survey Results (Japan Student Services Organization)"

## 2. Financial costs of private universities and colleges (5)

Financial status (Excluding corporate departments, affiliated hospitals and research institutes)

1. Most of the income is payment from students  
(payment x number of students) Approx. 78%
2. The majority of expenditure is personnel expenses  
(salary x number of faculty and staff) Approx. 53%
3. Education and research expenses have increased  
because of sophistication and fragmentation of them

※ Trends of the expenses for a student in last 30 years

Education and research expenses	2.6 times
Payment from student	1.5 times
Personnel expenses	1.5 times
Subsidies	1.0 times

"Who and how will the funds needed for future university management be borne?"