

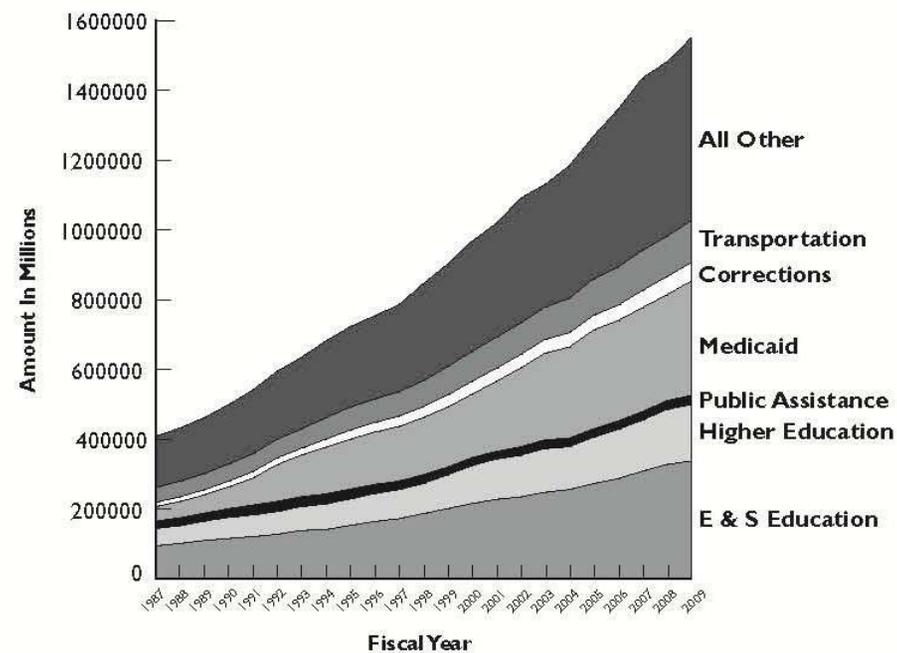
State Financing of Higher Education

Paul Lingenfelter, SHEEO

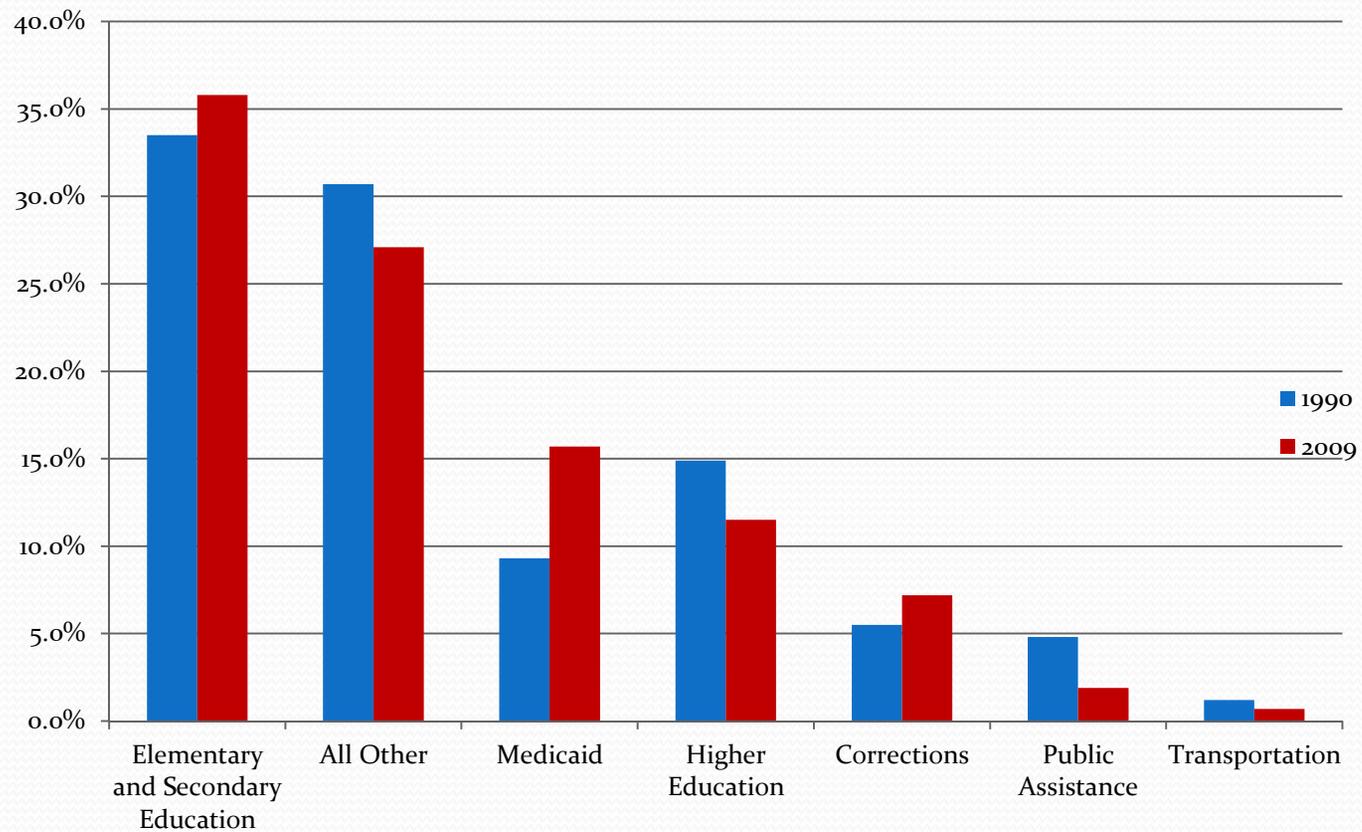


New America
Foundation
March 1, 2012

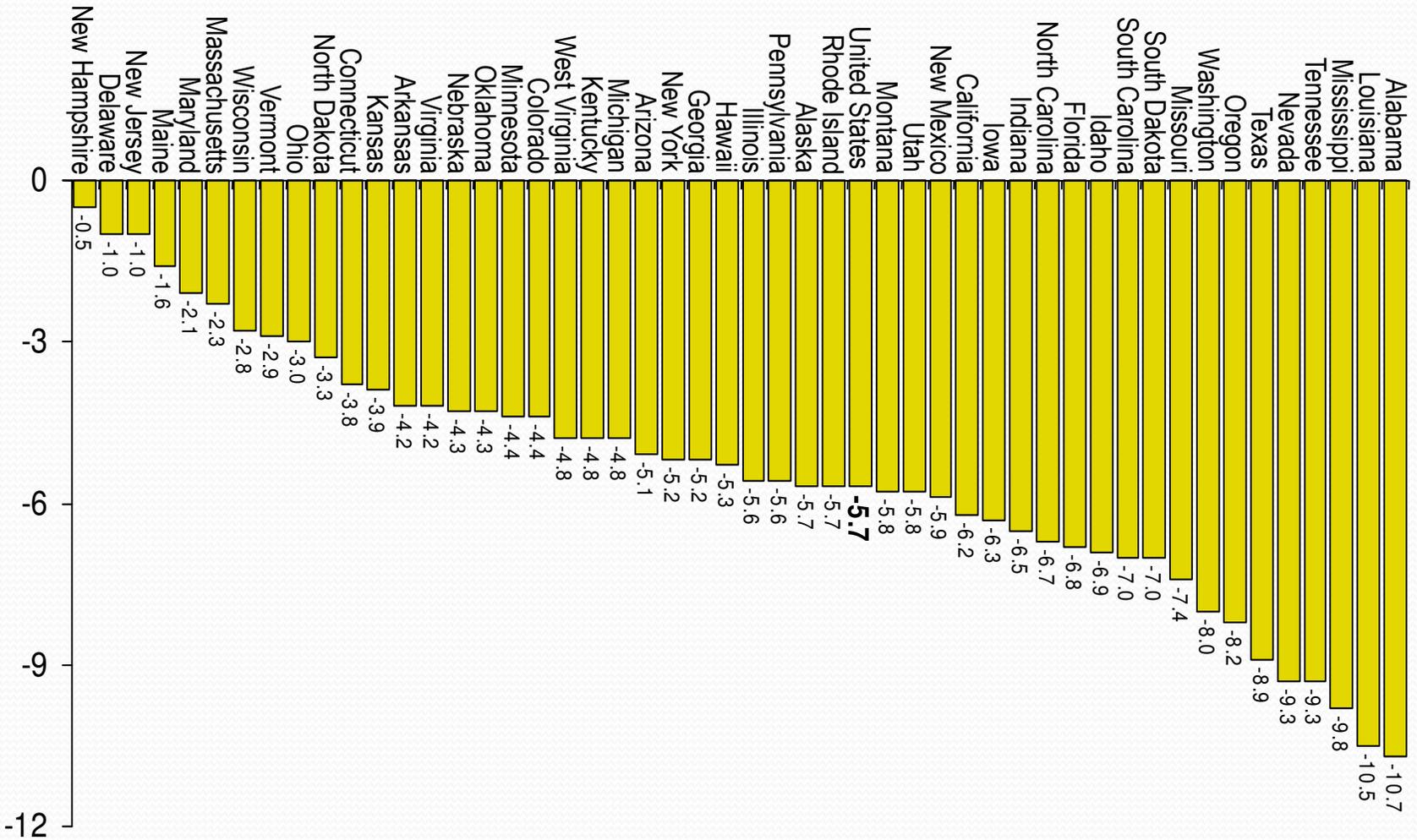
Composition of Total State Expenditures by Function, Fiscal 1987 - 2009



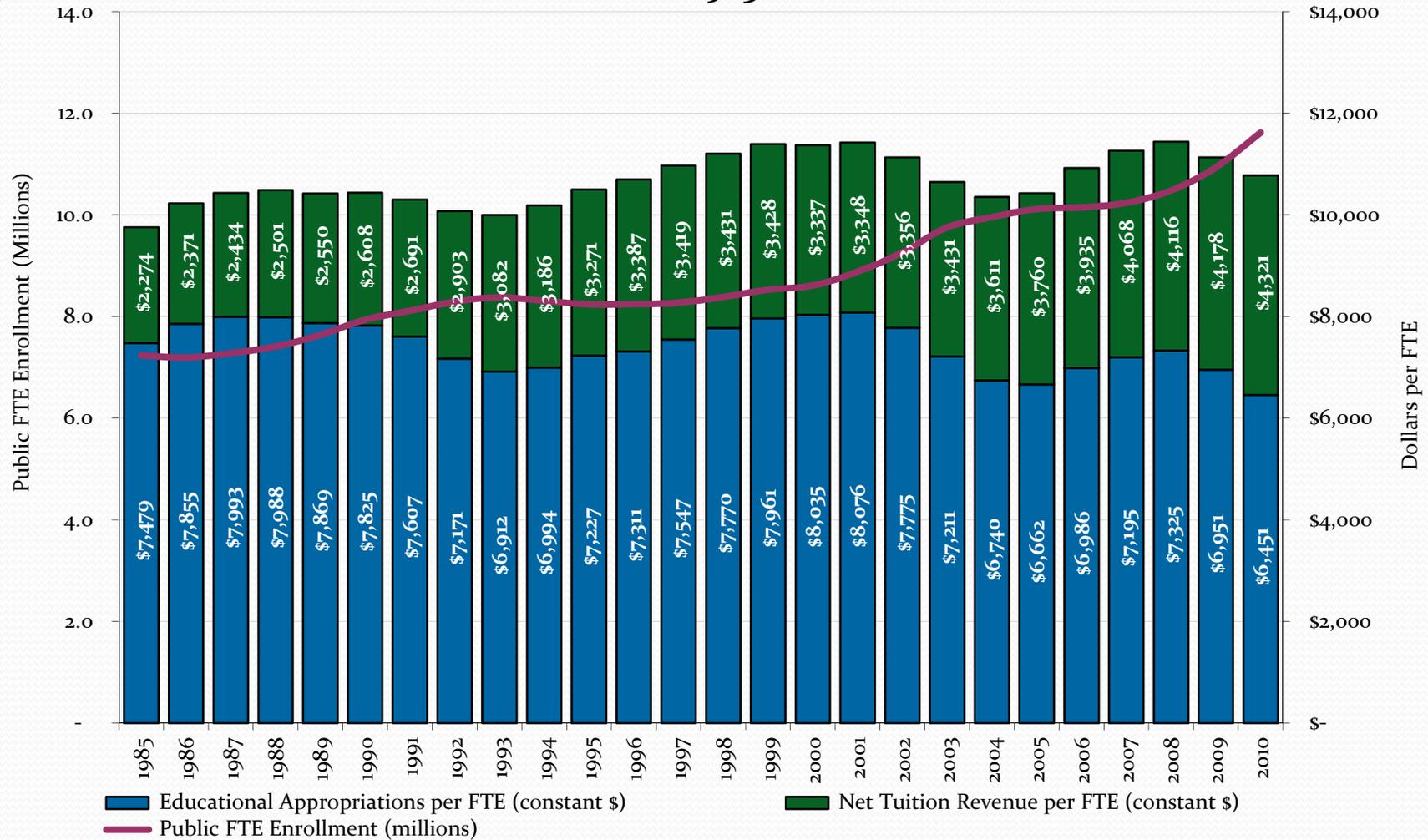
State General Fund Expenditures, FY 1990 & 2009



Projected state and local budget deficits as a percent of revenues, 2013



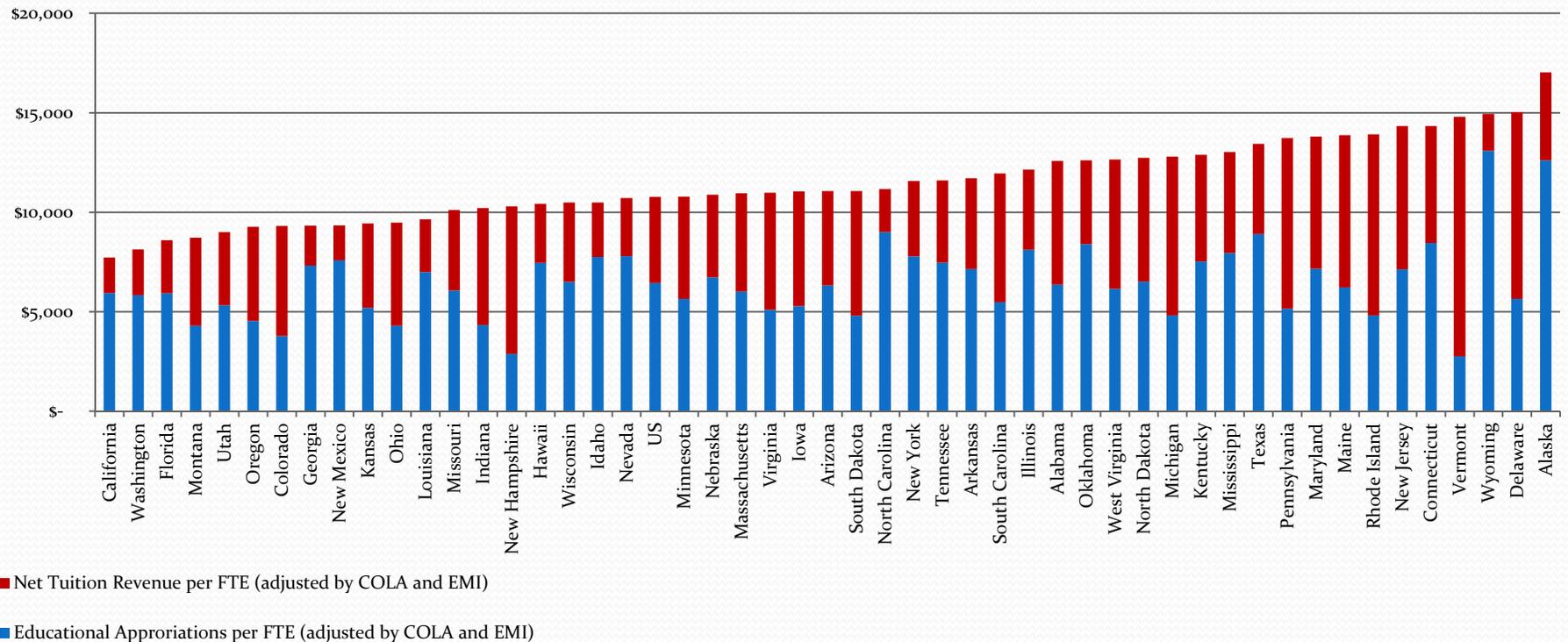
Public FTE Enrollment and Educational Appropriations per FTE, U.S., Fiscal 1985-2010



*Note: Net tuition revenue used for capital debt service are included in the above figures.
Constant 2010 dollars adjusted by SHEEO Higher Education Cost Adjustment (HECA).*

Source: State Higher Education Executive Officers

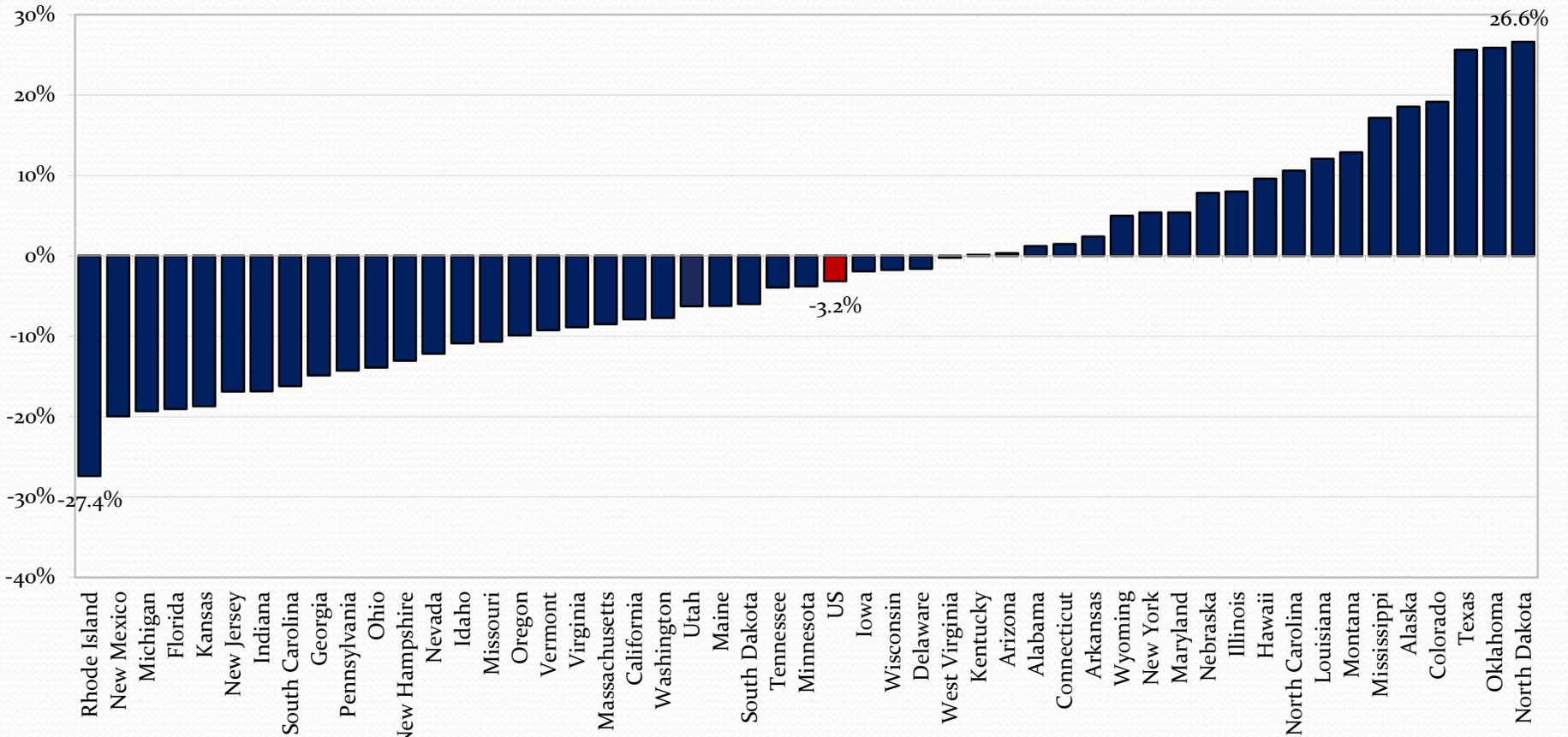
Educational Appropriations per FTE by State, FY 2010, Adjusted by COLA and EMI



Note: Net tuition revenue used for capital debt service are included in the above figures.

Source: State Higher Education Executive Officers

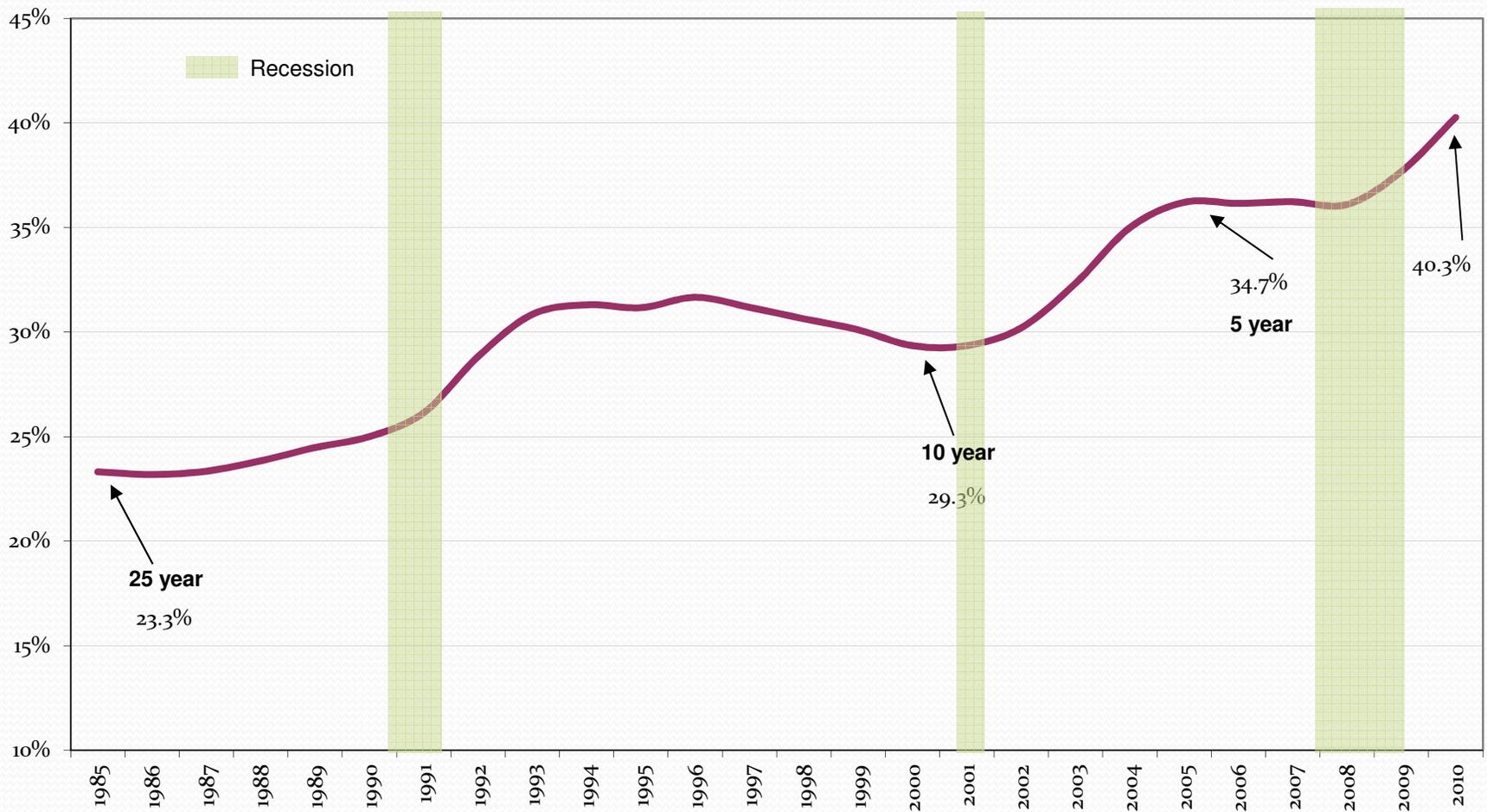
Educational Appropriations per FTE Percent Change by State, Fiscal 2005-2010



Note: Dollars adjusted by 2010 HECA, Cost of Living Adjustment, and Enrollment Mix Index.

Source: State Higher Education Executive Officers

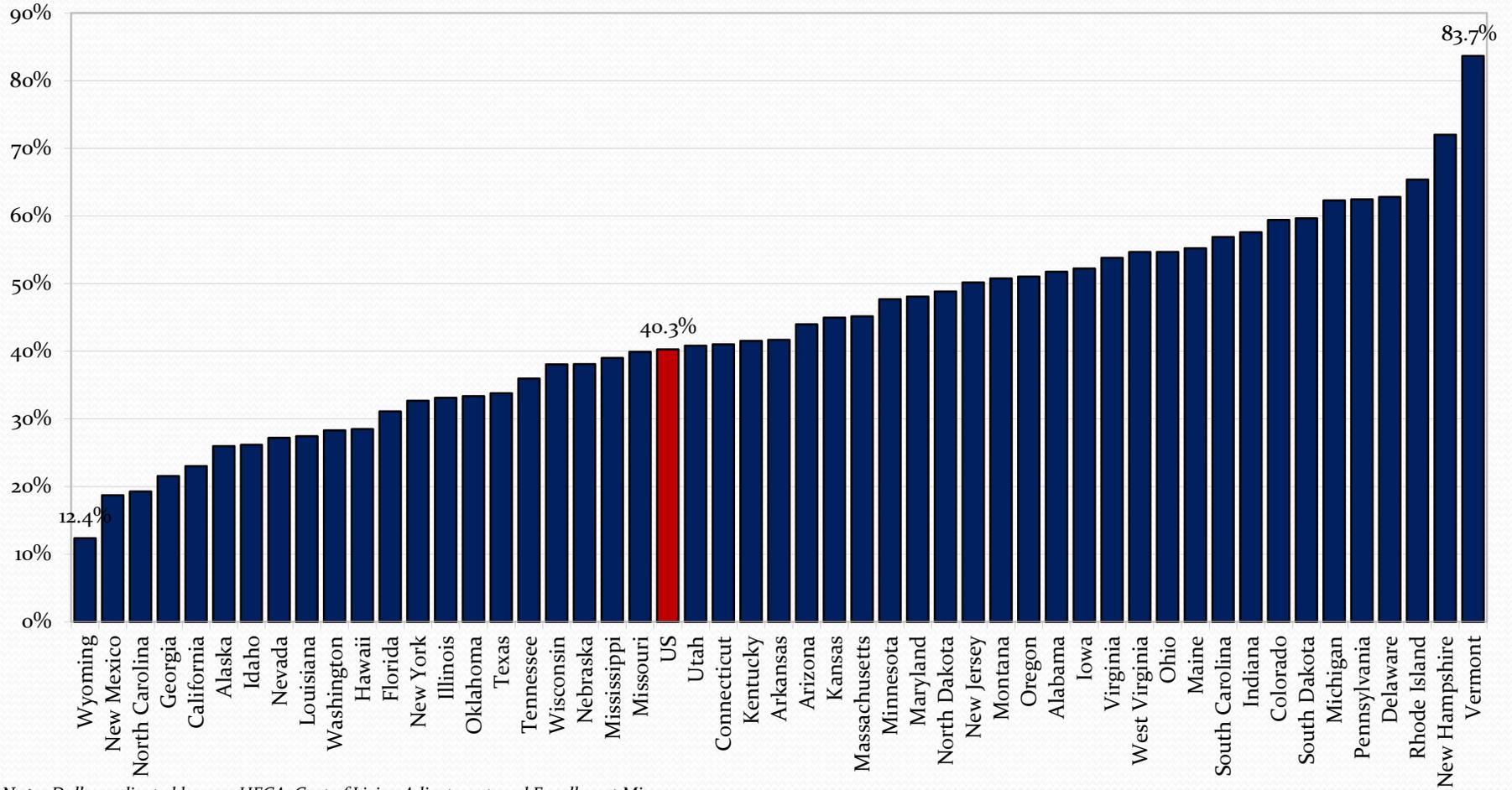
Net Tuition as a Percent of Public Higher Education Total Educational Revenue U.S., Fiscal 1985-2010



Note: Net tuition revenue used for capital debt service is included in net tuition revenue, but excluded from total educational revenue in calculating the above figures.

Source: State Higher Education Executive Officers

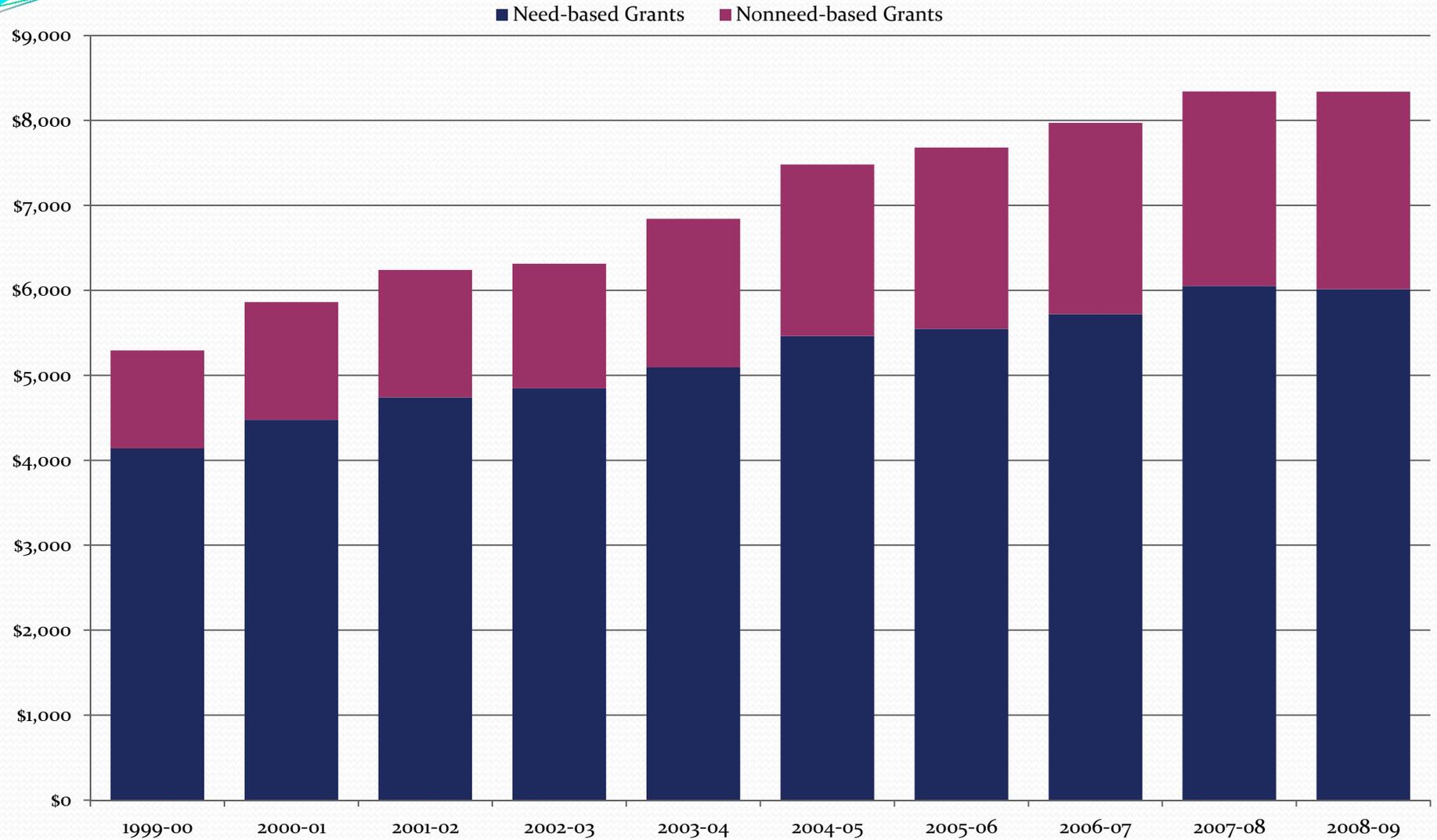
Net Tuition as a Percent of Public Higher Education Total Educational Revenue by State, Fiscal 2010



Note: Dollars adjusted by 2010 HECA, Cost of Living Adjustment, and Enrollment Mix.

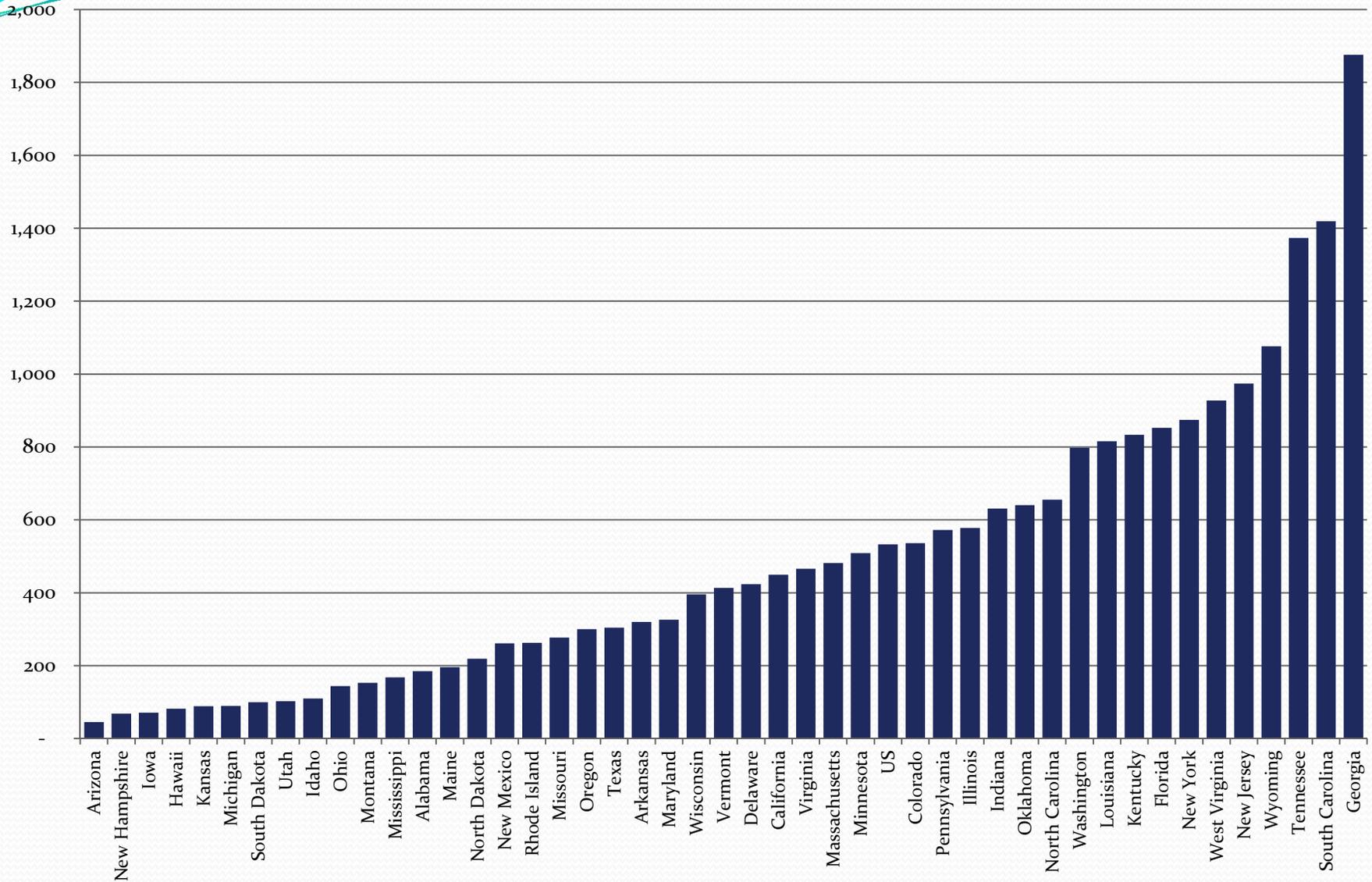
Source: State Higher Education Executive Officers

State Need-Based and Nonneed-Based Grants for Undergraduate Students Constant 2009 Dollars



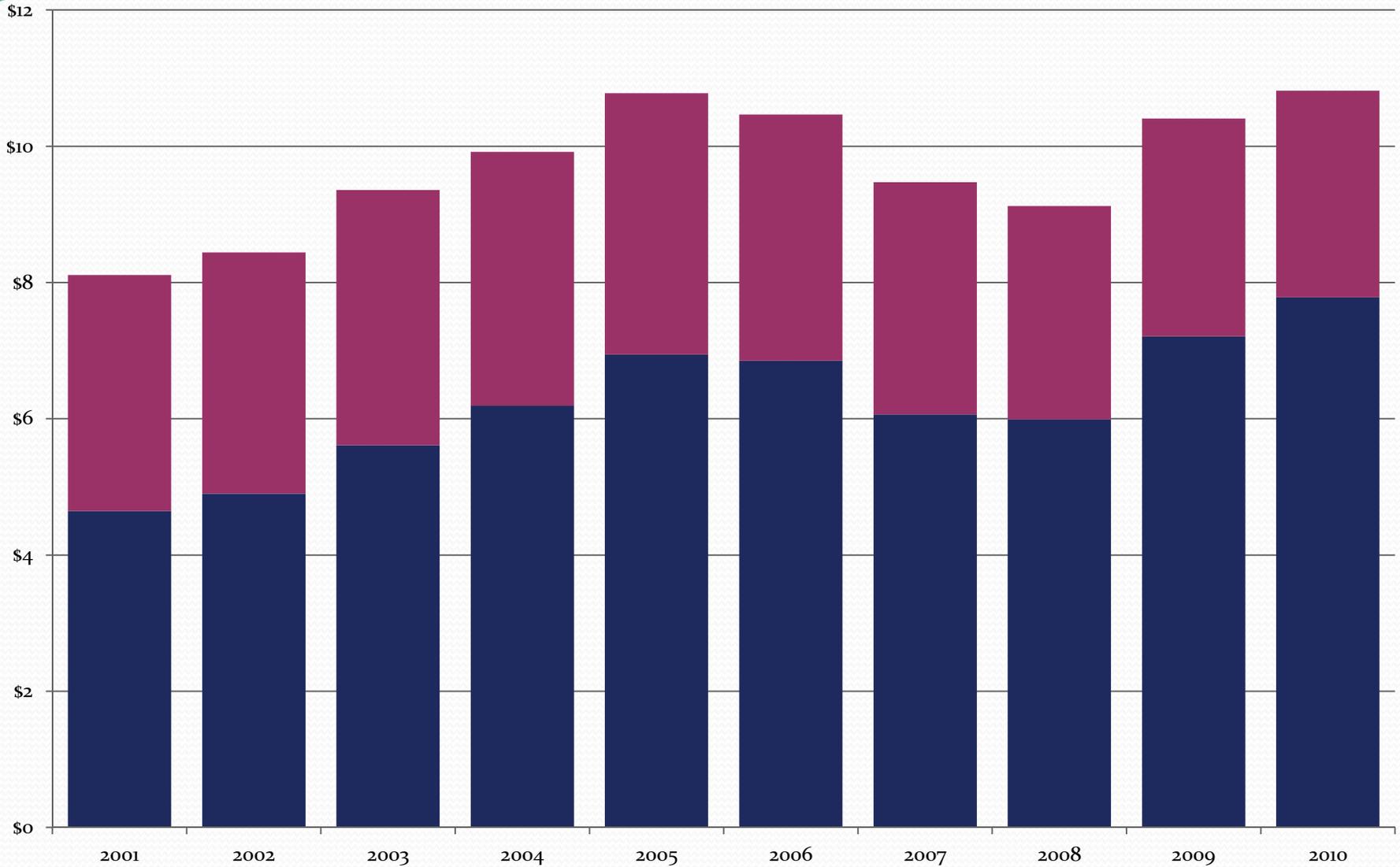
Source: 40th Annual Survey Report on State-Sponsored Student Financial Aid, NASSGAP
Constant 2009 dollars adjusted using CPI

State Aid to Students Attending Public Institutions per FTE FY 2010



Source: SHEEO SSDB

Public and Non-Public Aid per \$100 of State Support Constant 2010 Dollars

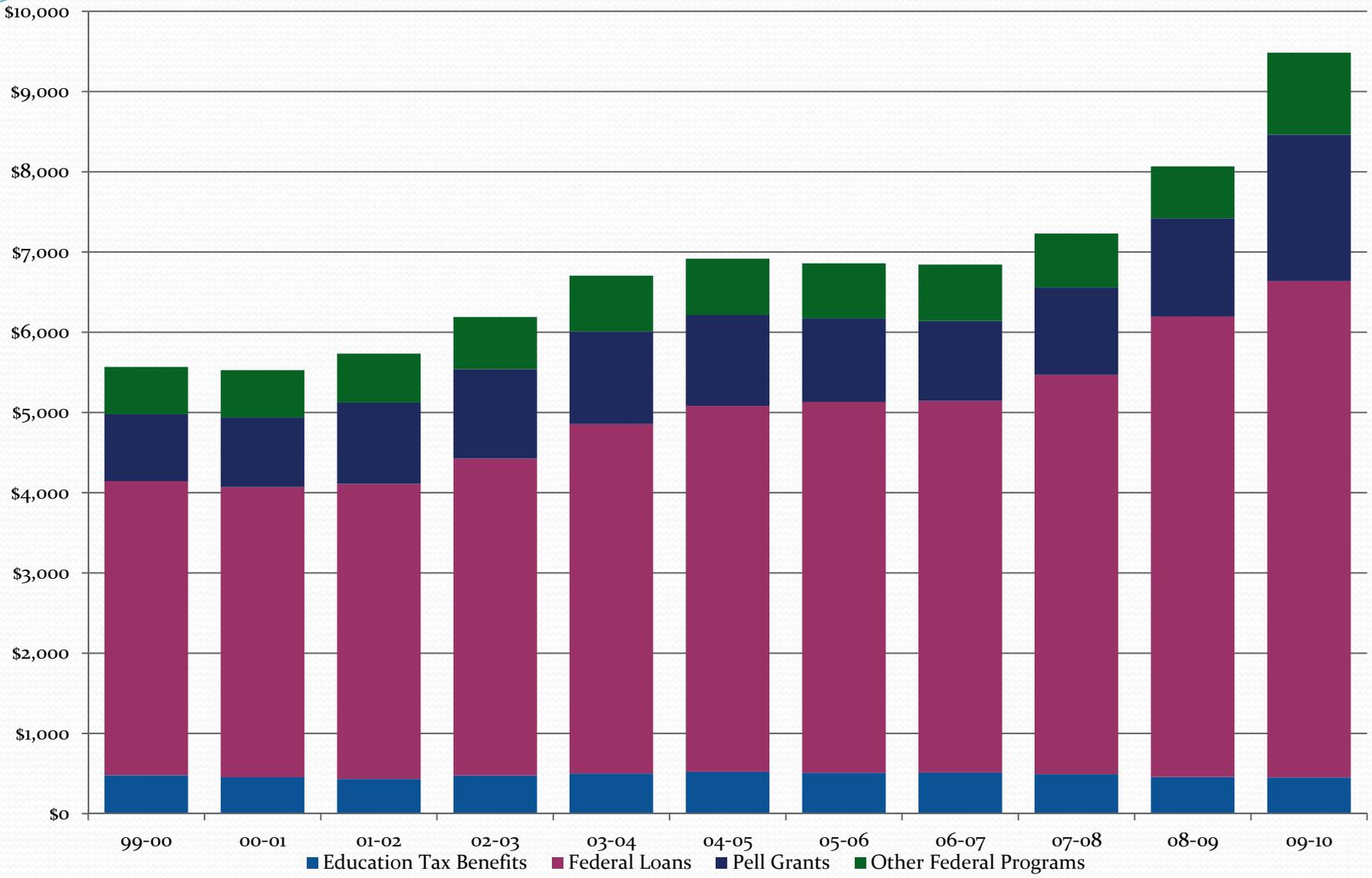


Source: SHEEO SSDB

■ Public Aid per \$100 of State Support

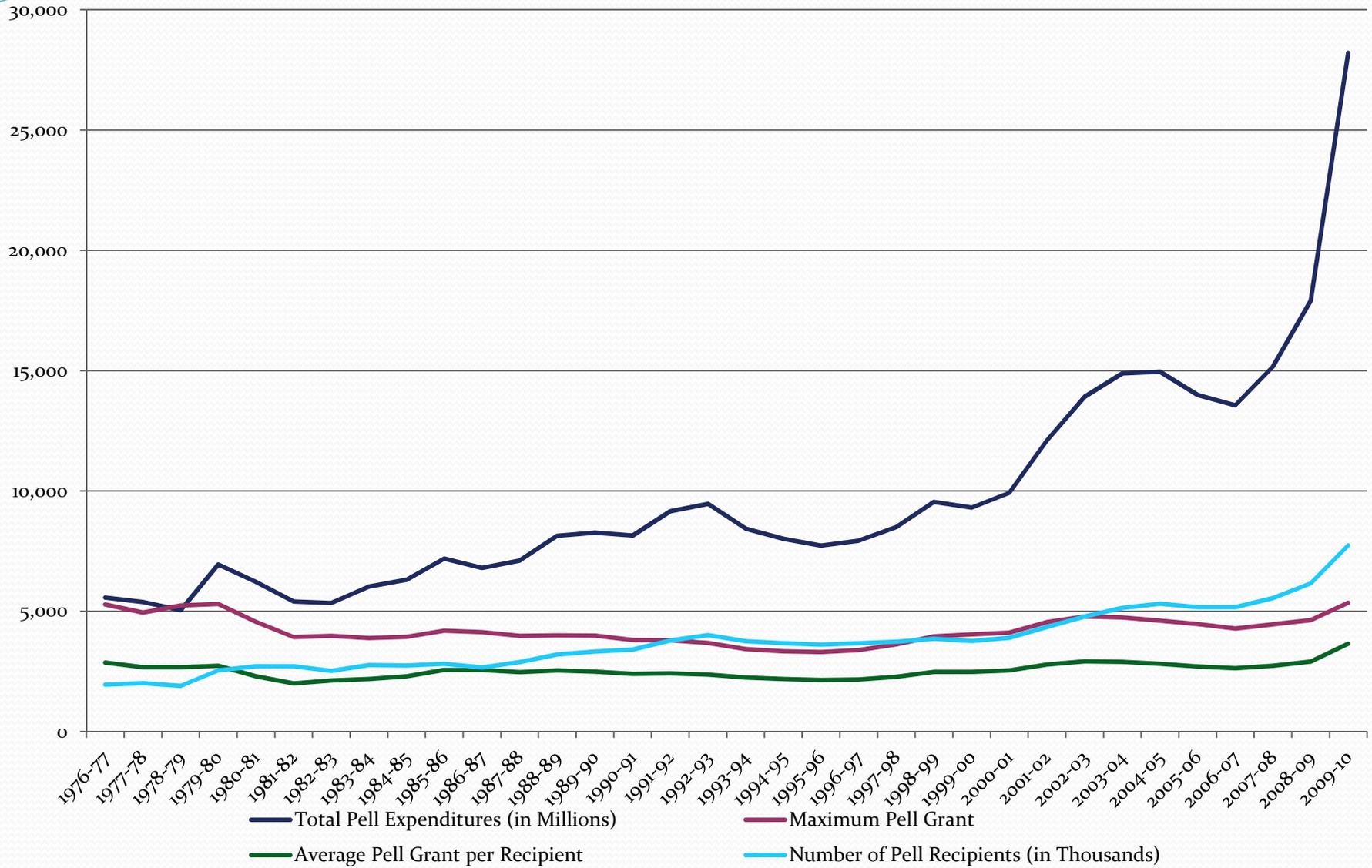
■ Non-Public Aid per \$100 of State Support

Federal Student Aid per FTE Constant 2009 Dollars



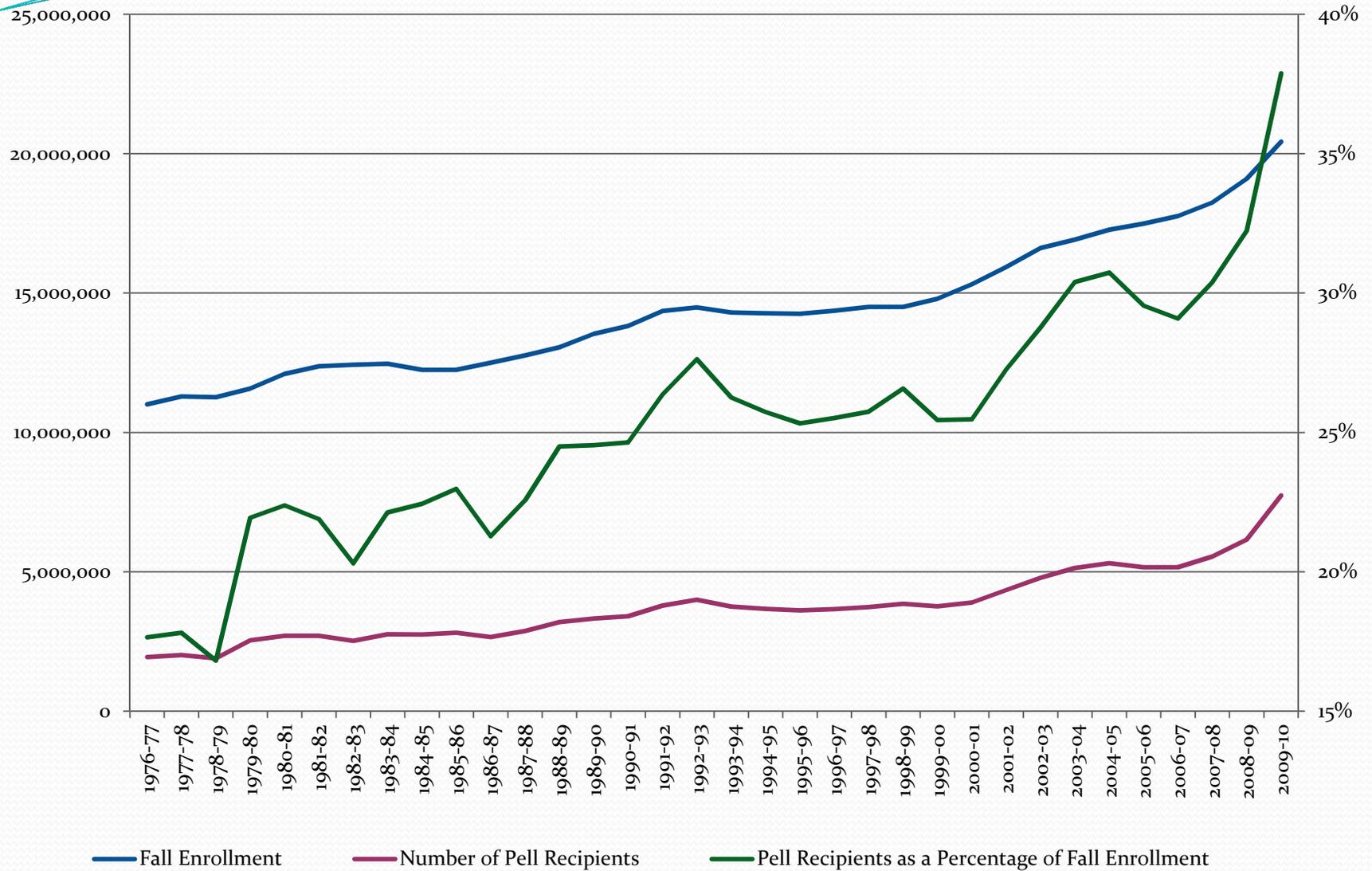
Source: Trends in College Pricing, The College Board, 2010

Pell Grant Trends 1977-2010



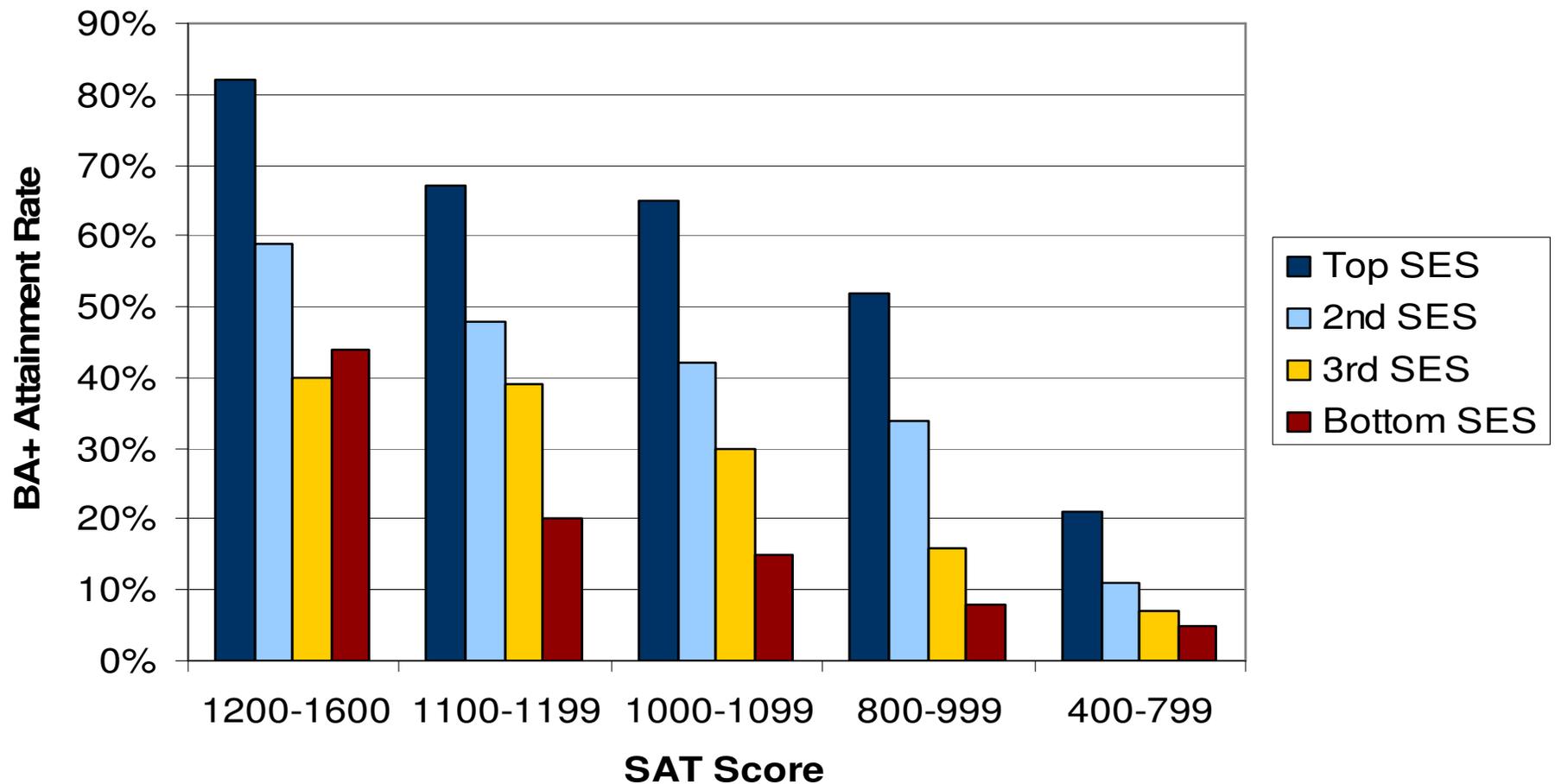
Source: The Federal Pell Grant Program End of Year Report, 2008-09 and projections from U.S. Department of Education, Office of Postsecondary Education.

Pell Grant Recipients and Fall Headcount Enrollment



Source: The Federal Pell Grant Program End of Year Report, 2008-09 and projections from U.S. Department of Education, Office of Postsecondary Education and the Digest of Education Statistics, 2010.

Degree attainment by SAT scores and socioeconomic status



FY 2011 – what will SHEF show?

State support (with ARRA help) essentially flat, while enrollments continue to grow, except in a few places

Tuition continues to grow

Support per student drops again

FY 2012 - what will SHEF show?

State support down 7.6 percent, with
ARRA exhausted

Enrollments ?

Tuition continues to grow?

Support per student drops by X%?

Three Wrong Ideas

The right formula will provide all the amounts and incentives needed to yield great performance.

The only way to get improved performance is to spend more money.

We can get the results we need without spending more money.

Three “Right” Questions

What does the public need from higher education?

What can higher education do better with the money we have now?

Where can strategic investments help us get the results we need?



THANK YOU!



SHEEO

STATE HIGHER EDUCATION EXECUTIVE OFFICERS ASSOCIATION