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Higher Education Report to Be Released

By JUSTIN POPE, AP Education Writer *Wed Mar 22, 3:52 AM ET*

Just five years ago, public colleges and universities enjoyed their highest per-student levels of state and local government support in at least 25 years. By 2005, thanks to stagnant budgets and exploding demand, that figure had plummeted to a 25-year low.

The rapid decline in real spending by states, per student, on higher education is documented in a report being released Wednesday by State Higher Education Executive Officers, a group of top state higher education officials.

State and local support amounted to \$5,833 per student nationwide in 2005, the new report says. That's down from the \$7,121 — in comparable 2005 dollars — that was spent in fiscal 2001.

The change is notable partly because, after several years of cutbacks, states' financial pictures are generally improving and higher education appropriations are picking up. Overall, higher education appropriations grew by 3.5 percent last year and, despite the cutbacks early in the decade, are up about 7 percent since 2001 to nearly \$59 billion.

Yet compared with 2001, public colleges are accommodating 14 percent more students. While it's good news more students are attending college, there is less to spend per student, and public colleges have raised tuition by nearly half over that period to try and make up the difference. Even so, they brought in 8.8 percent less, in inflation-adjusted dollars, in tuition and state support per student than in 2001.

"Especially in the last four or five years, it's been very difficult for state governments to keep pace with that demand for higher education," said SHEEO President Paul Lingenfelter. "The implications of that have been seen in the increased reliance on students and their families to pay the costs."

Lingenfelter said the tuition increases raise the danger of more students graduating with heavy debt loads, taking longer to finish school, choosing schools that aren't a good fit, or being unable to attend at all.

The report comes at a time when higher education leaders are urgently trying to call the public's attention to what they see as the de facto privatization of public higher education. In 1981, public colleges got nearly four-fifths of their educational budgets from state and local government; by 2005 the figure was below 64 percent.

Last week, the American Council on Education announced plans for an advertising campaign, including public service spots during the [NCAA](#) men's basketball tournament, emphasizing the public value of state-supported colleges and universities.

"To have a real chance at a good job and a high quality of life you almost have to have a college degree in this day and age," Britt Kirwan, chancellor of the University of Maryland system, said in an interview Tuesday. "The issue really is expanding (the) capacity of our institutions to provide students with an affordable, high-quality education. There, the level of state investment is just absolutely crucial."

Kirwan said his system managed to secure a 12.5 percent increase in state funding this year, and a commitment from the state to shoulder the burden of increased capacity. But overall, state funding accounts for about 35 percent of the system's education budget, down from more than 50 percent over the last decade or so.

Five states increased real appropriations per student between 2001 and 2005. They are Nevada, South Carolina, Wyoming, Tennessee and New Mexico.

On the Net:

http://us.rd.yahoo.com/dailynews/ap/ap_on_re_us/storytext/colleges_funding/18474705/SIG=10m7o6pu0/*http://www.sheeo.org

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