

WASFAA 2004 Conference
Scottsdale, Arizona

Funding for Higher Education: The Impact on College Access

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PENNSTATE

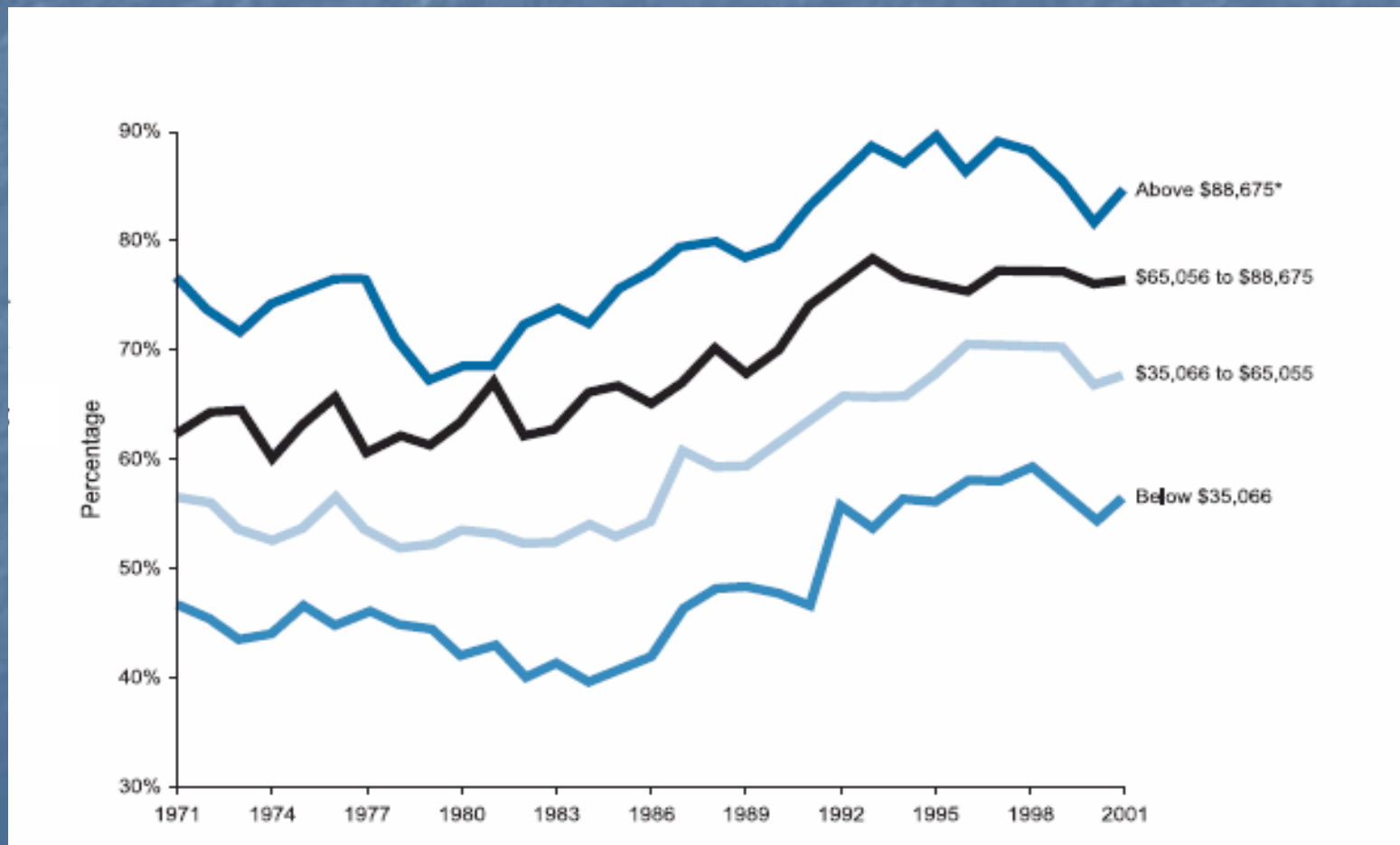


COLLEGE *of* EDUCATION

CENTER FOR THE STUDY OF HIGHER EDUCATION

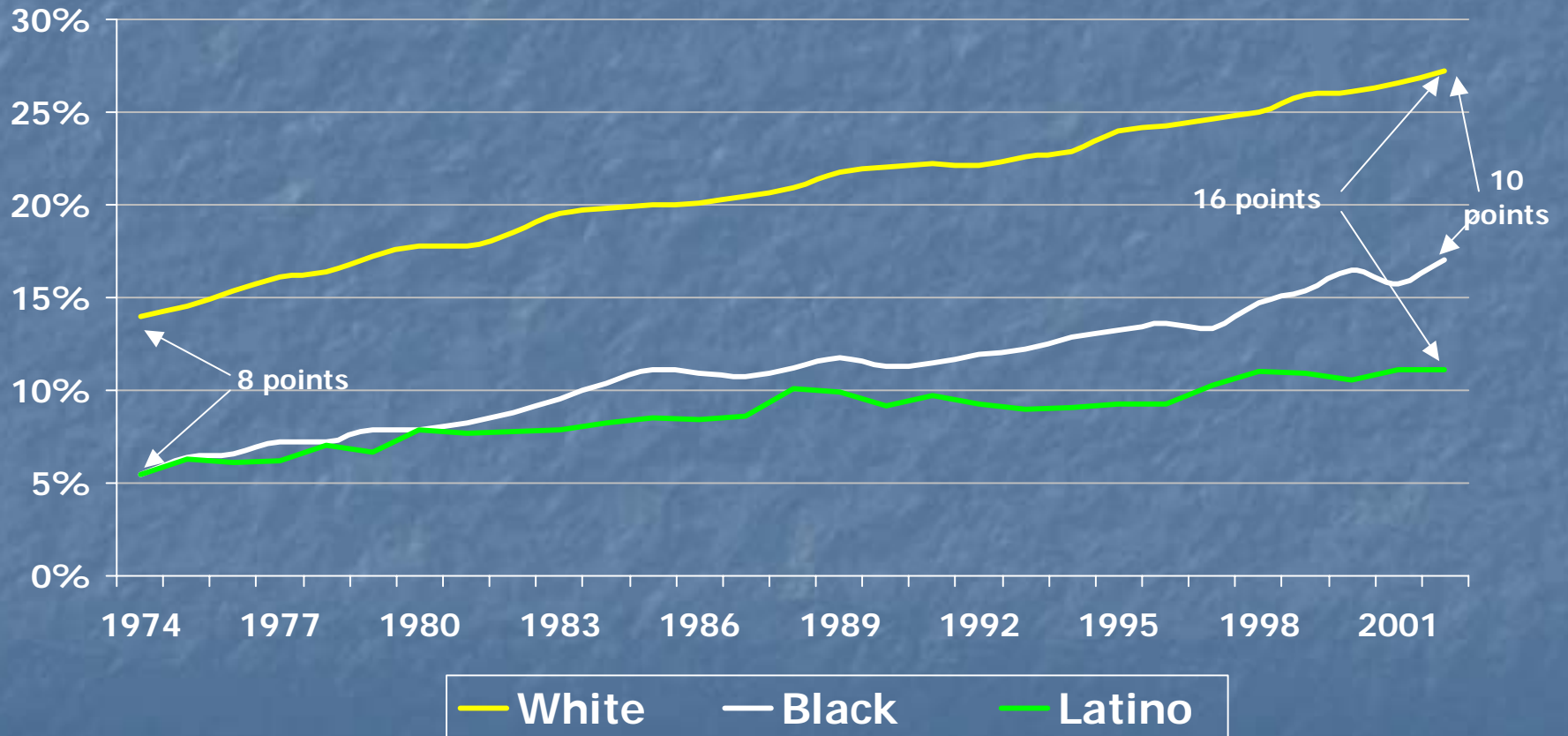
College participation by income quartile

College participation rates of unmarried 18-24 year olds



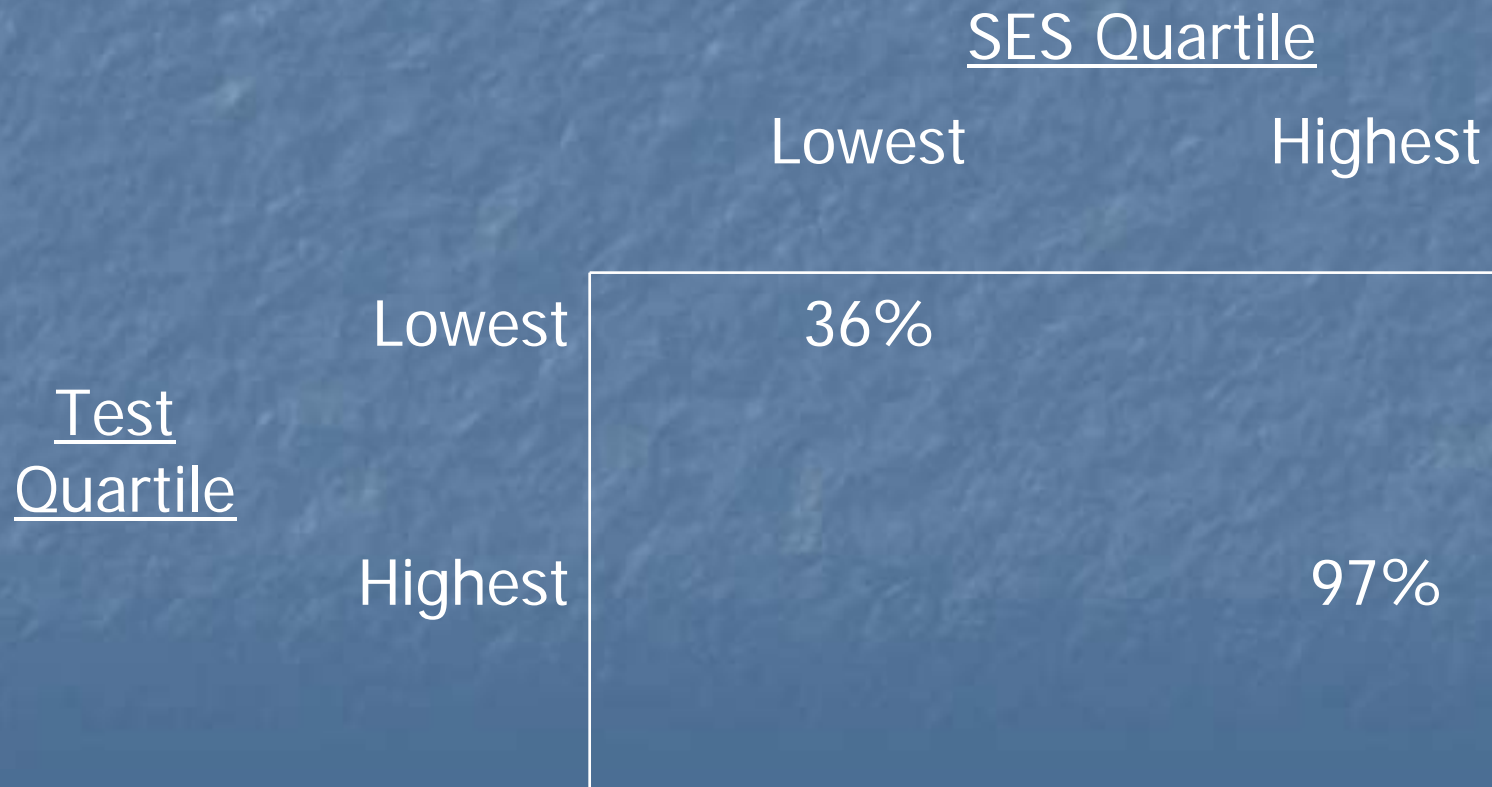
Gap in educational attainment by race

Proportion of population 25 years or older with at least 4 years college



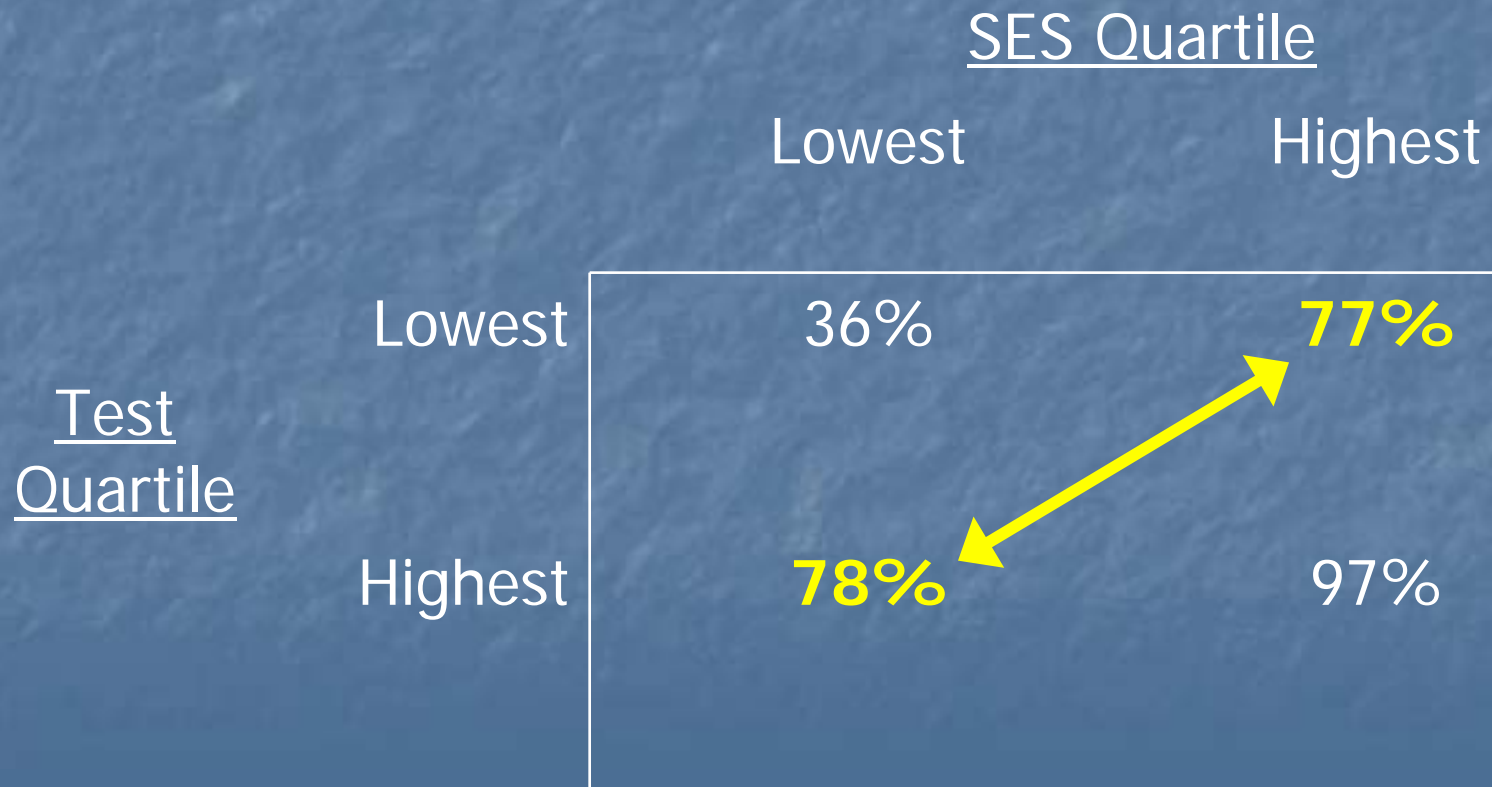
Access Denied

Percentage of 1992 High School Graduates
Attending College by 1994



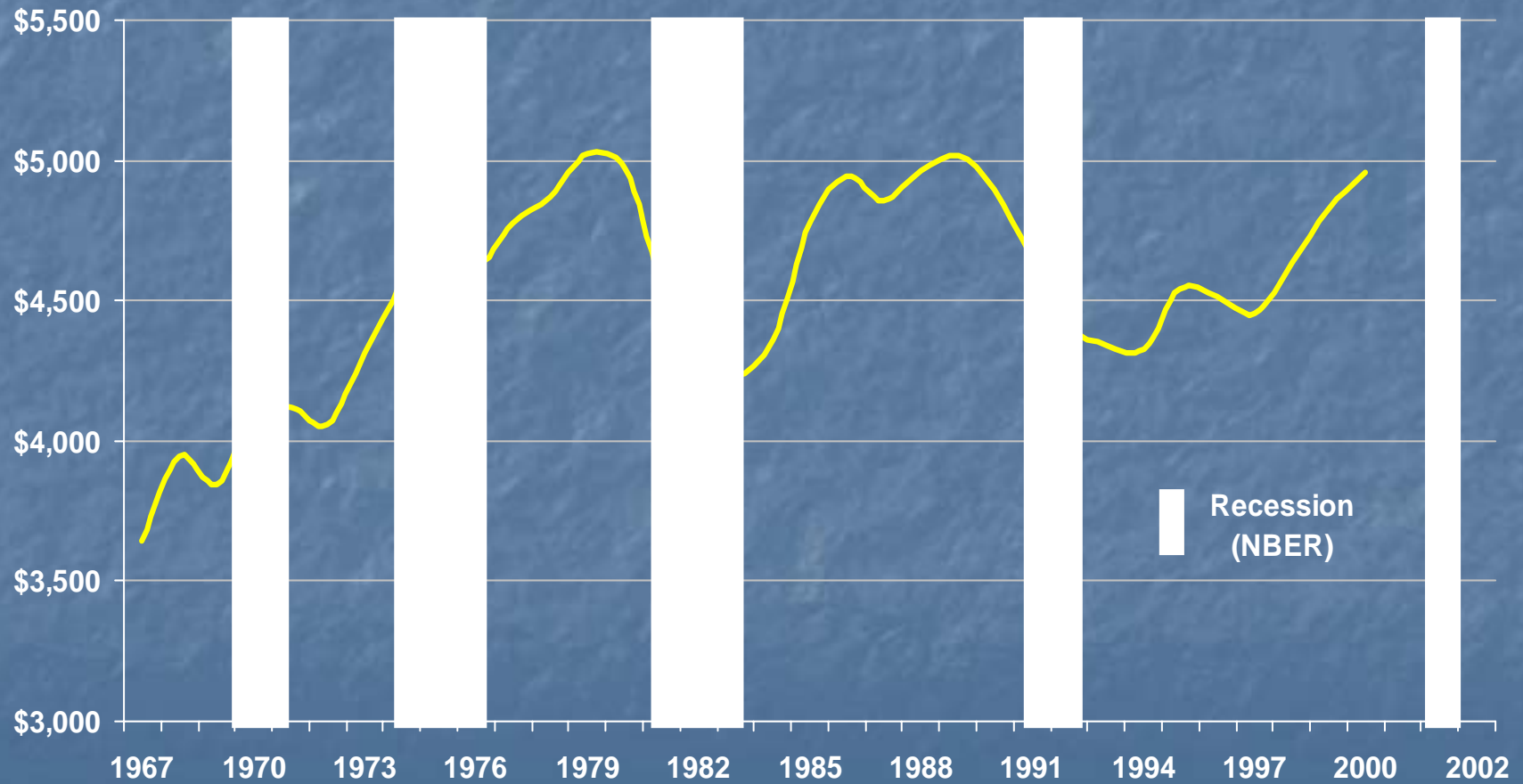
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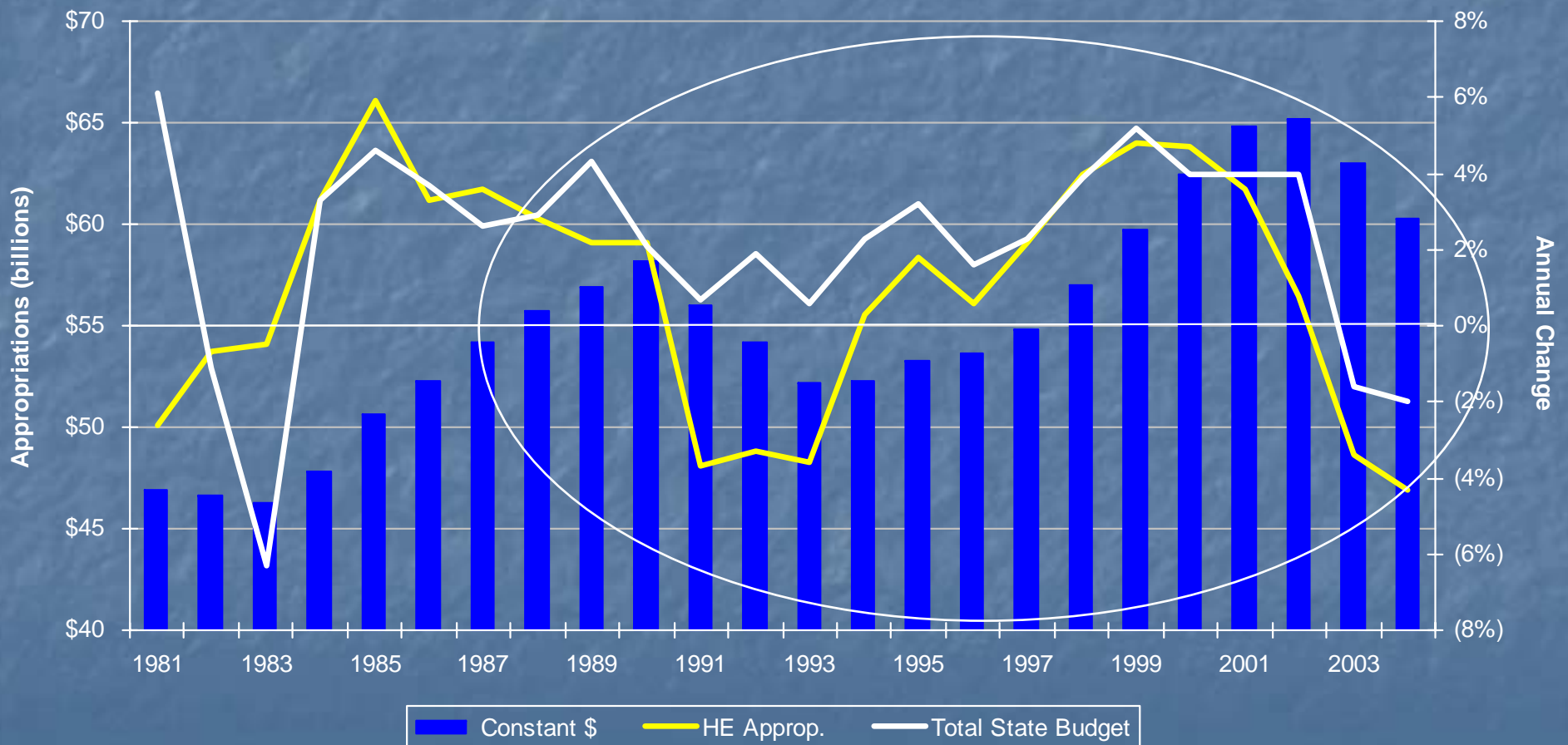


History of state support for public higher education

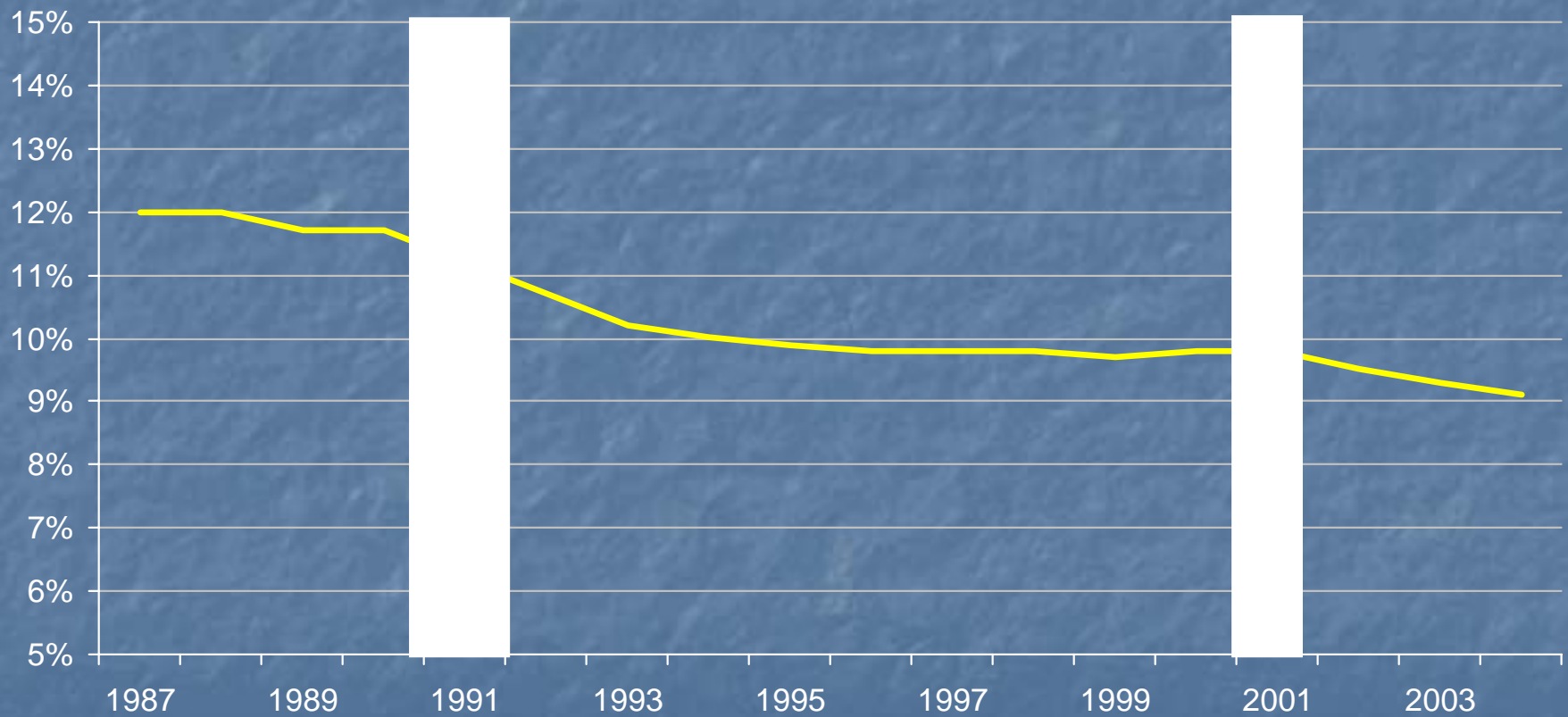
Current fund revenues from state and local appropriations in public institutions per student, 1999 dollars



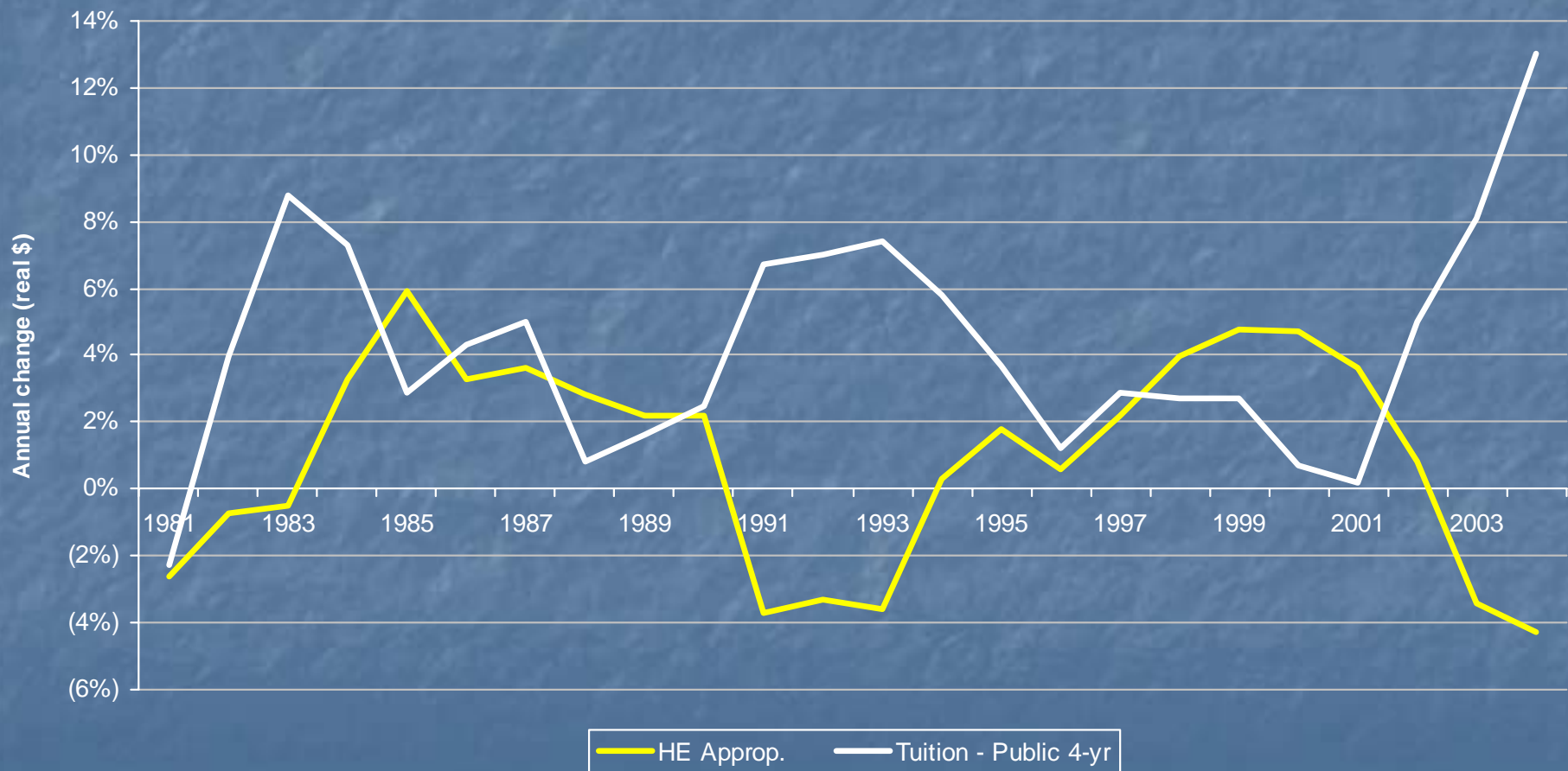
State appropriations for higher education



Higher education share of state budget



The relationship between appropriations and tuition



NCES college cost study

NATIONAL CENTER FOR EDUCATION STATISTICS

Statistical Analysis Report

December 2001

Postsecondary Education Descriptive Analysis Reports

**Study of College Costs and Prices,
1988–89 to 1997–98**

Volume 1

Alisa F. Cunningham
Jane V. Wellman
Melissa E. Chinedinst
Jamie P. Marisotis
The Institute for Higher Education Policy

C. Dennis Carroll
National Center for Education Statistics

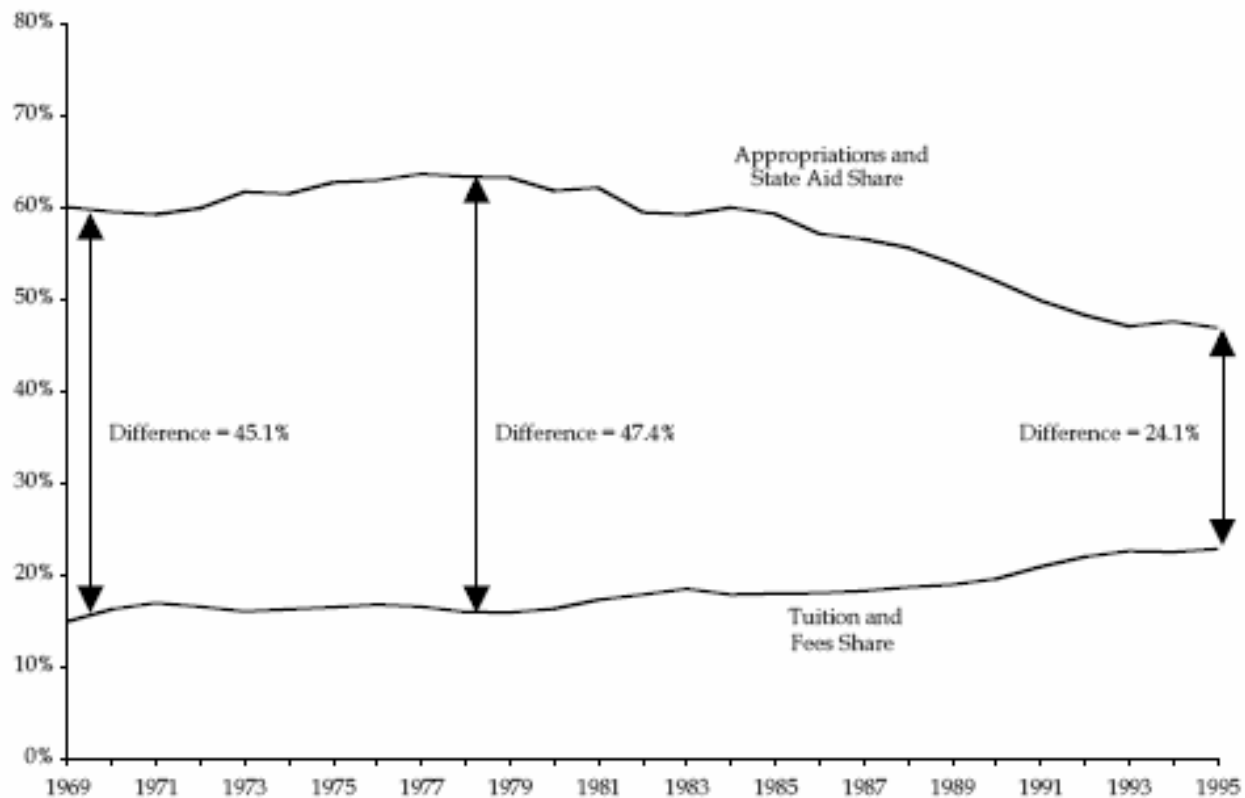
U.S. Department of Education
Office of Educational Research and Improvement NCES 2002-157

“For public 4-year institutions, revenue from state appropriations remains the largest source of revenue *and is the single most important factor associated with changes in tuition.*”

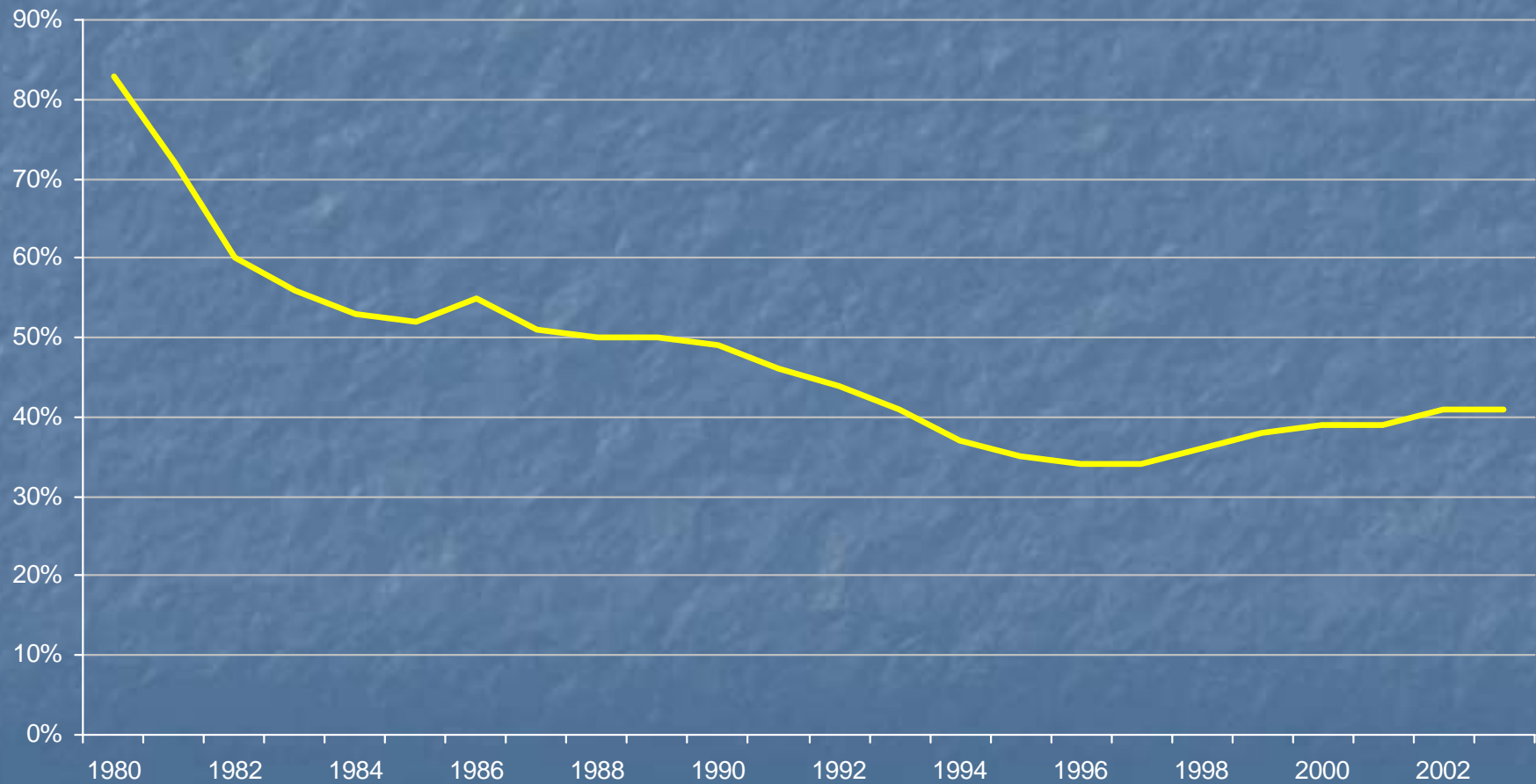
Shifting burden of paying for college

Figure 6: State Support and Tuition and Fees as a Share of Educational and General Expenditures in Public Institutions

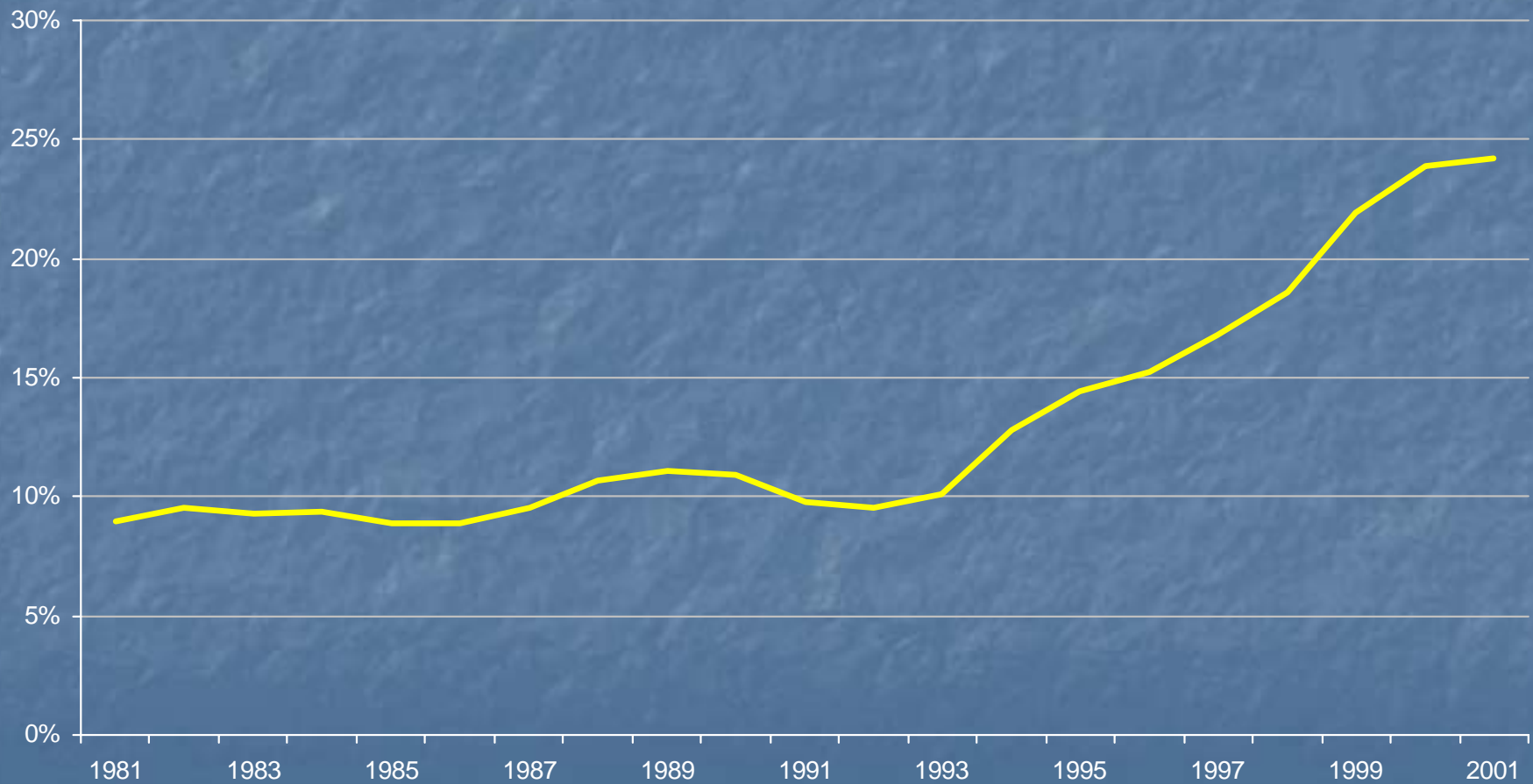
Source: Author's calculations from National Association of State Scholarship and Grant Programs (various years); Quantum Research Corporation (2000)



Maximum Pell Grant as % of public 4-year COA



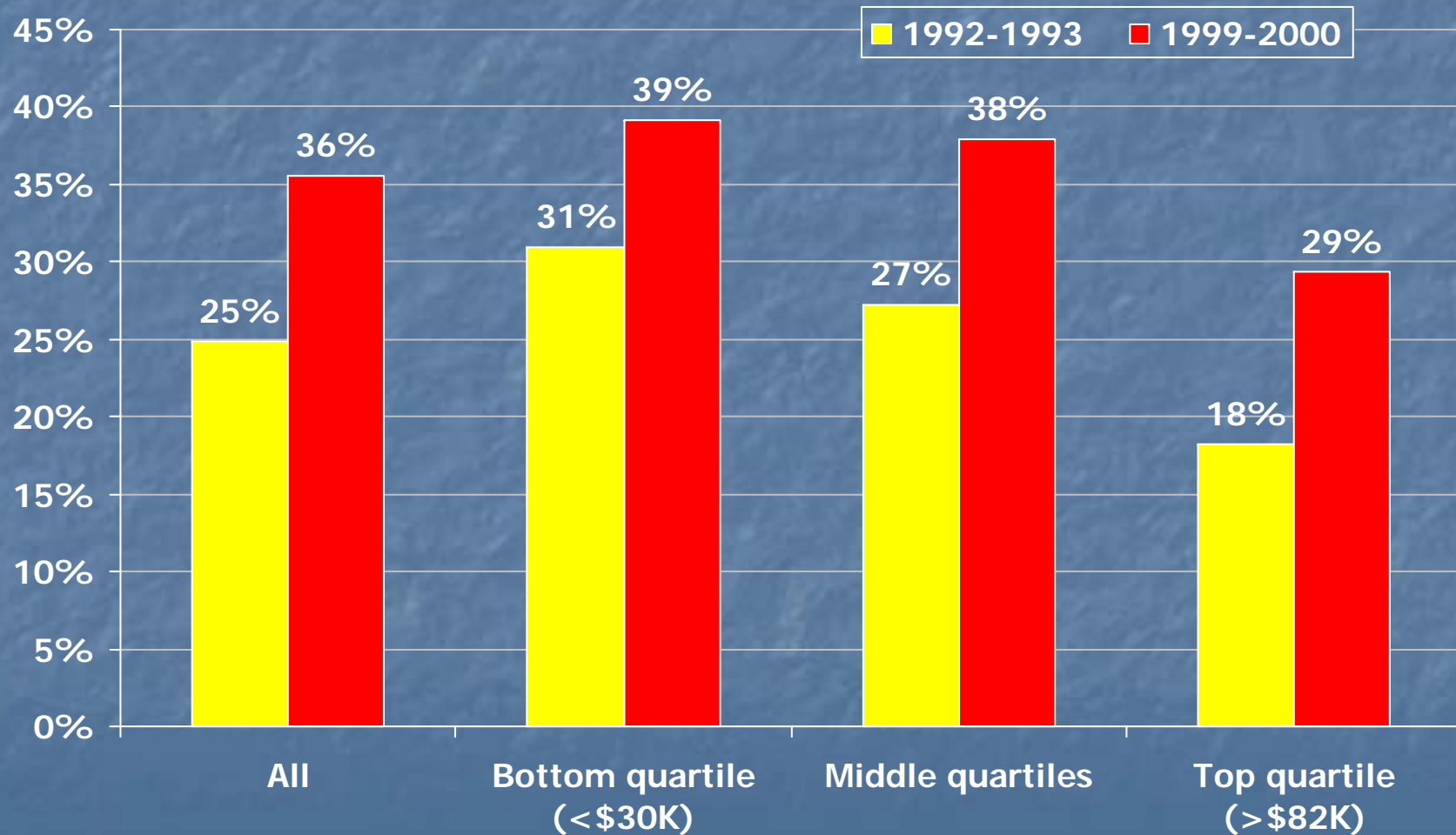
State non-need grants as % of total



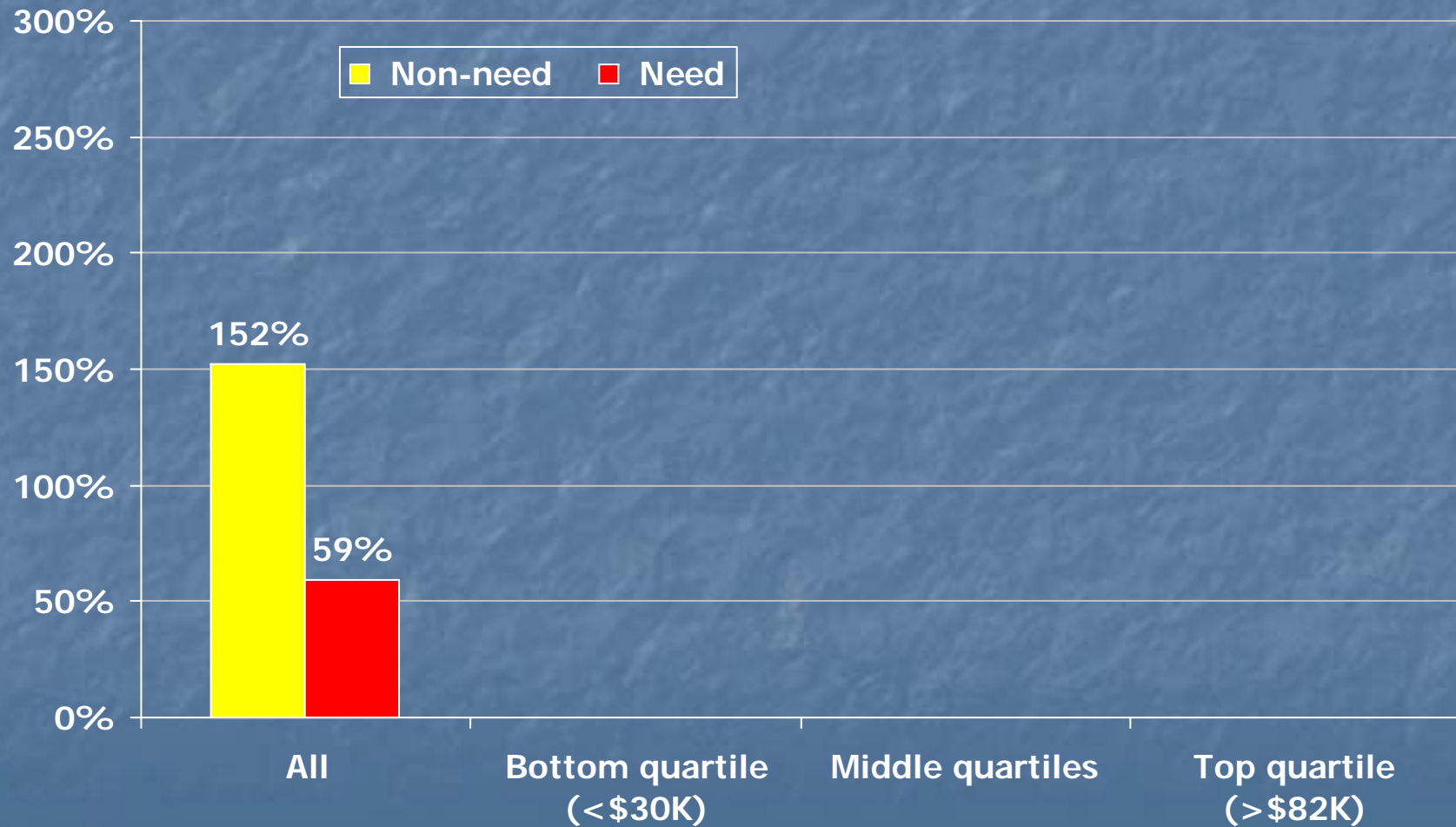
Merit aid – impact on college access

- Civil Rights Project report, August 2002
 - **Georgia:** Over 90% of expenditures on HOPE went to students who would have attended college anyway; program *increased* the gap in college participation between white and African-American students
 - **Florida and Michigan:** Grants awarded disproportionately to racial majority students and students in wealthier communities (those with higher participation rates)
 - **New Mexico:** No impact on access; did shift some students from 2-year to 4-year institutions. 80% of recipients were from families with income >\$40,000 per year, above the state's median income of \$38,000

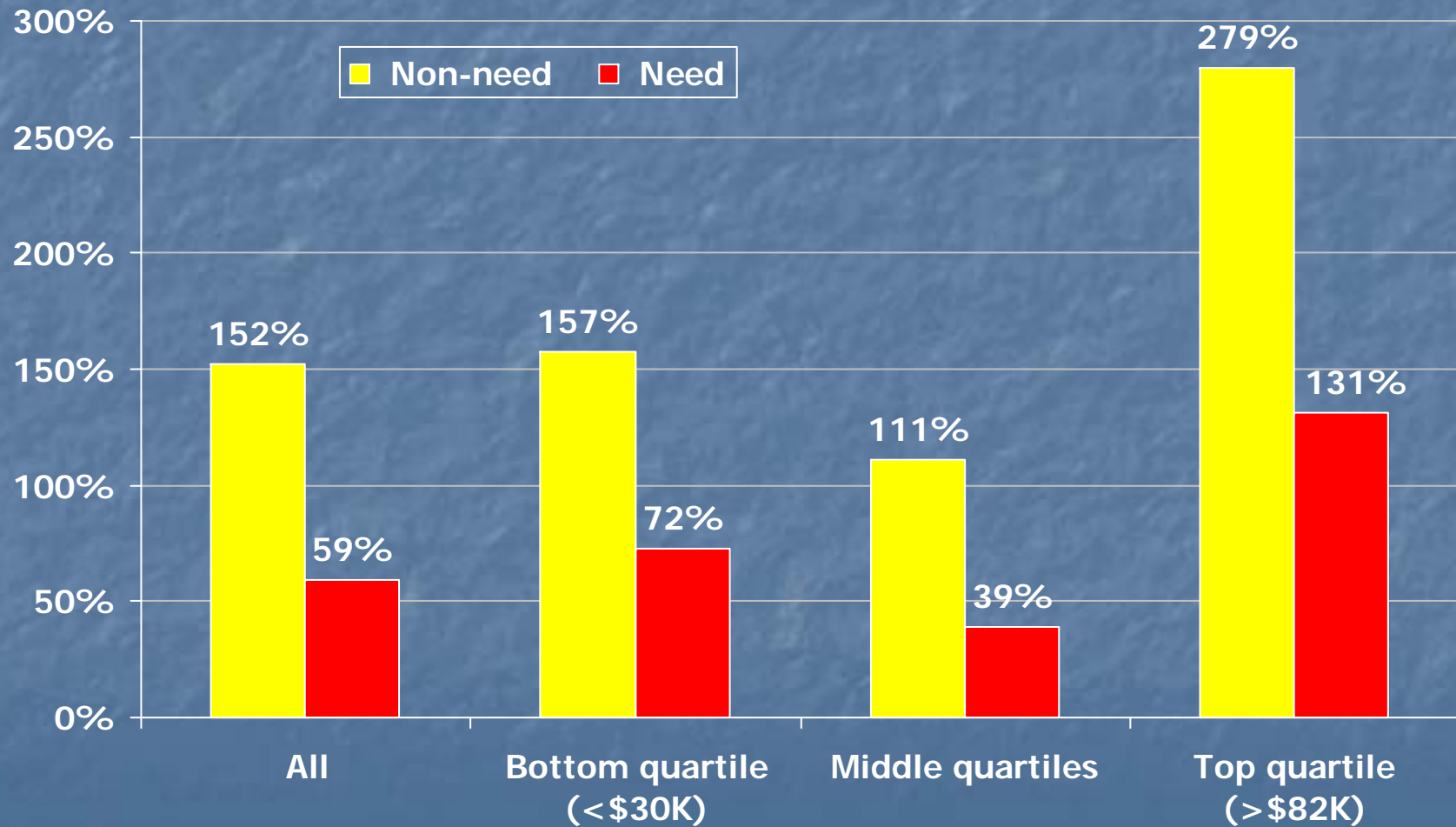
Proportion of students receiving institutional grants



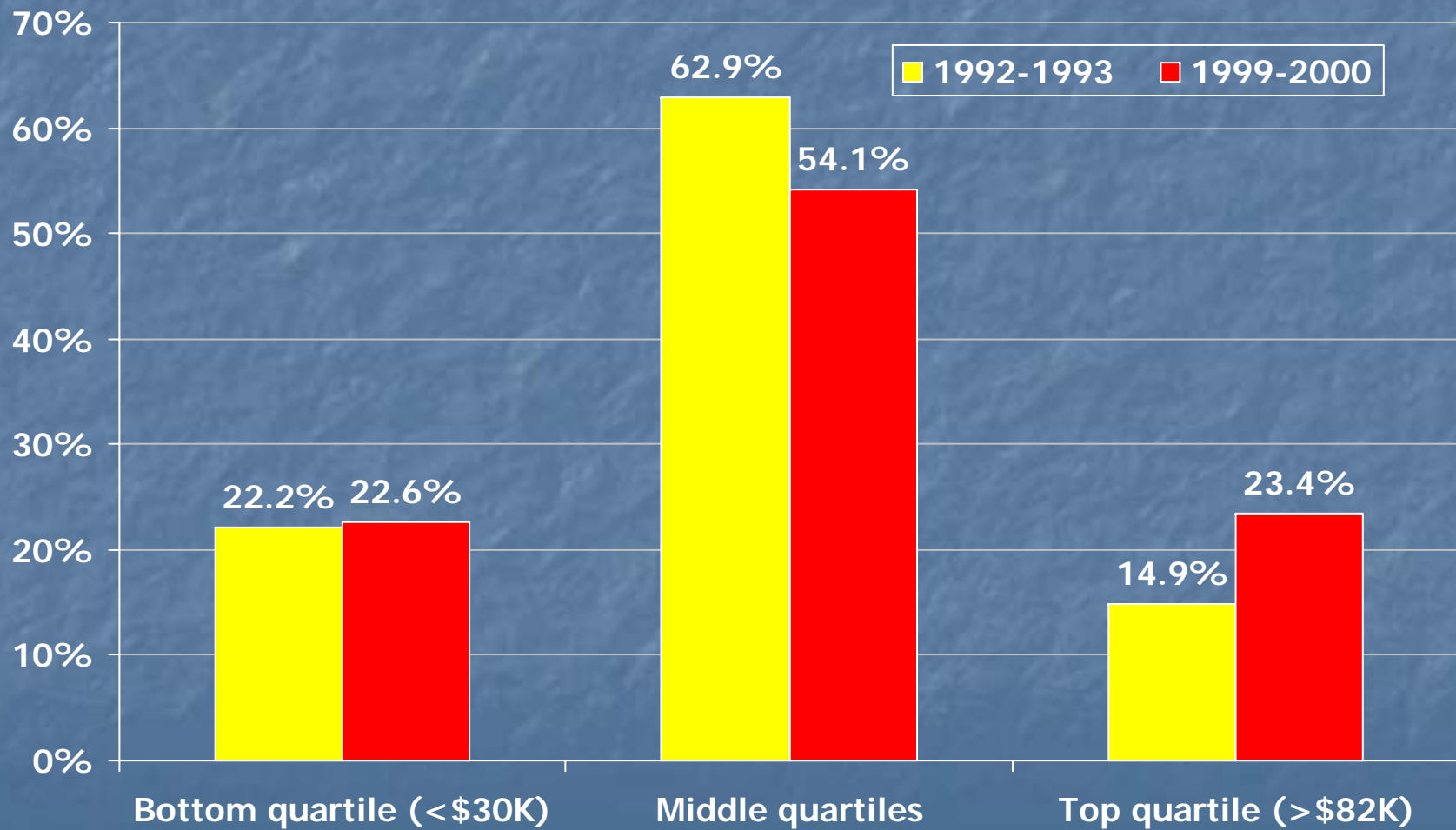
Changes in institutional grant dollars, 1993 to 2000



Changes in institutional grant dollars, 1993 to 2000



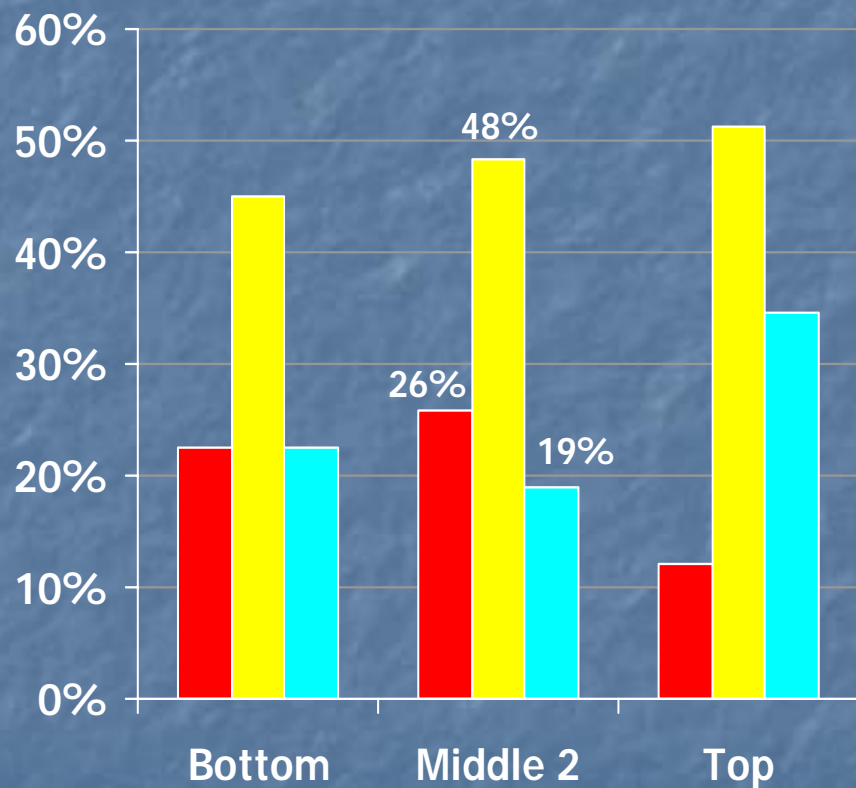
Proportion of total dollars received, 1993 to 2000 (non-need and need grants combined)



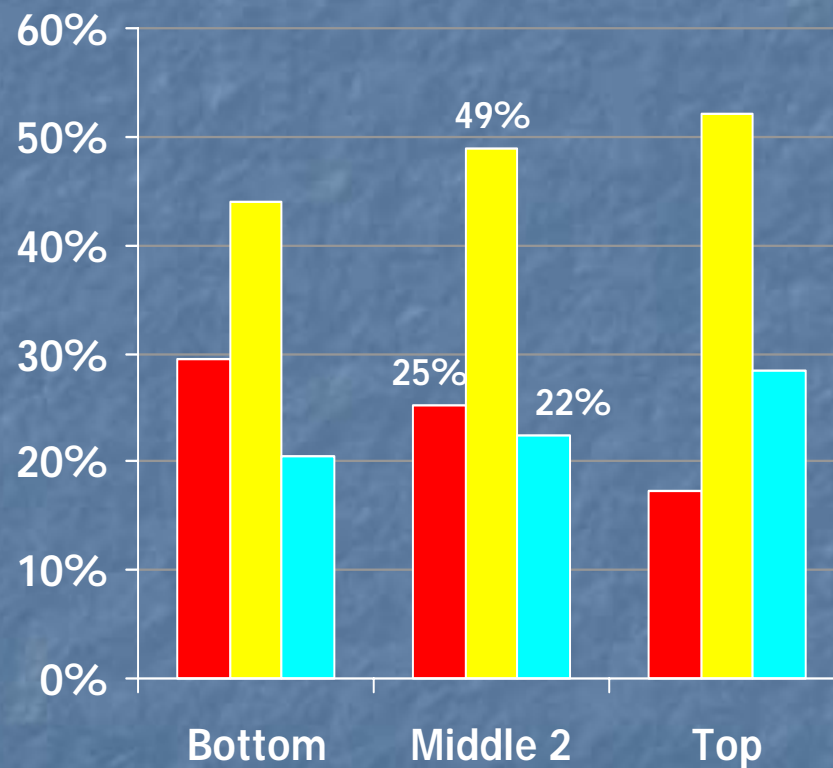
Middle income melt?

Enrollment by sector and income quartile

1992-1993



1999-2000



■ Comm. Colleges ■ Public 4-yr
■ Private 4-yr

■ Comm. Colleges ■ Public 4-yr
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The challenges

- Managing the “perfect storm” (Deno Curris) of increasing demand and lagging resources
 - Operating expenditures
 - Capital expenditures
 - The promise of technology?
- Convincing policymakers and institutional leaders to target resources efficiently and effectively
- Unknown impact of NCLB on preparation, demand, and participation

Website

<http://www.personal.psu.edu/deh29>