



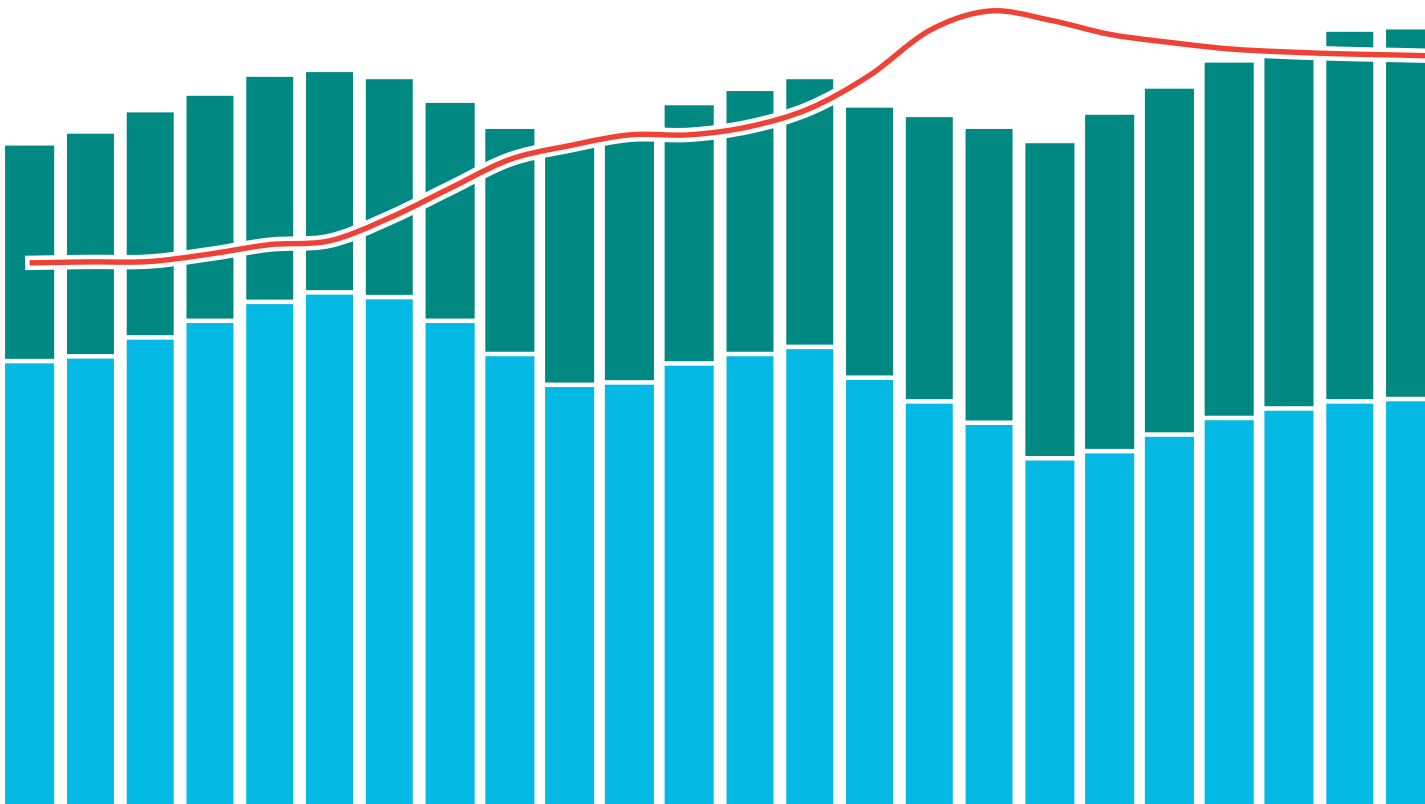
SHEEO

STATE HIGHER EDUCATION EXECUTIVE OFFICERS ASSOCIATION

SHEF

STATE HIGHER EDUCATION FINANCE

FY 2020



The State Higher Education Executive Officers Association (SHEEO) serves the chief executives of statewide governing, policy, and coordinating boards of postsecondary education and their staffs. Founded in 1954, SHEEO promotes an environment that values higher education and its role in ensuring the equitable education of all Americans, regardless of race/ethnicity, gender, or socioeconomic factors. Together with its members, SHEEO aims to achieve this vision by equipping state higher education executive officers and their staffs with the tools to effectively advance the value of higher education, promoting public policies and academic practices that enable all Americans to achieve success in the 21st century, and serving as an advocate for state higher education leadership. For more information, visit www.sheeo.org.

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 **SHEF**
STATE HIGHER EDUCATION FINANCE

Since 2003, the State Higher Education Executive Officers Association (SHEEO) has produced the annual State Higher Education Finance (SHEF) report to broaden understanding and enable analysis of state-level and national funding and enrollment trends over time. The SHEF report provides the earliest possible review of state funding for higher education for the most recently completed fiscal year. SHEEO developed the SHEF report building directly on a 25-year effort by Kent Halstead, an analyst and scholar of state policy for higher education. As a result, SHEF includes a robust dataset for fiscal years 1980-2020 with detailed data on state and local funding, tuition revenue, and enrollment.

This year, SHEEO is pleased to release all new sector-level data for the first time. Newly added variables include two- and four-year breakdowns of state general operating appropriations, state public financial aid, local appropriations, net tuition revenue, total education revenue, and net FTE enrollment. This data collection is part of an expansion funded by a grant from the Bill & Melinda Gates Foundation. Readers may also notice that the section on state effort to fund higher education is not in this year's SHEF report. This section relies on publicly available data from the federal government to calculate the state effort metrics. The availability of these data lags the SHEF report data by one or two years. Due to the data lag and the rest of the SHEF report's overall expansion, we have decided this year to separate the state effort section and create a separate report. The State Effort to Fund Higher Education report can be found on the [SHEF website \(shef.sheeo.org/state-effort\)](https://shef.sheeo.org/state-effort).

The 2020 SHEF report was authored by Sophia Laderman, senior policy analyst, and Kelsey Heckert, data analyst at SHEEO. The report would not have been possible without additional support, particularly from Gloria Auer, Annahita Jimmerson, David Tandberg, and Dustin Weeden.

We are deeply indebted to the staff of state higher education agencies who annually provide the state-level data essential for the preparation of this report and made the extra commitment to provide sector-level data this year. Without their diligent work, this project would not be possible.

A fully interactive version of this report, with adjustable visualizations and downloadable datasets for all figures and tables, is available at shef.sheeo.org.

The data in the SHEF report and accompanying website may be freely used with appropriate attribution and citation: State Higher Education Executive Officers Association. (2021). State Higher Education Finance: FY 2020.

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EXECUTIVE SUMMARY

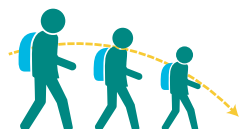
The State Higher Education Finance (SHEF) report is produced annually by the State Higher Education Executive Officers Association (SHEEO) to broaden understanding of the context and consequences of public policy decisions in each state that contribute to public higher education funding levels and funding distributions across states and nationally.

The SHEF report supplies important context and trend analysis to help inform state postsecondary finance policy decisions. SHEF provides the earliest possible review of state and local support, tuition revenue, and enrollment trends for the most recently completed fiscal year. This year's report focuses on FY 2020, which for most states ran from July 1, 2019, through June 30, 2020.

A fully interactive version of this report is available on our website (shef.sheeo.org), including data downloads, visualization tools, and technical documentation.

REPORT HIGHLIGHTS

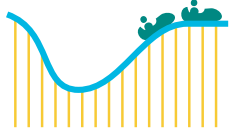
State and local funding for all higher education totaled \$108 billion in fiscal year 2020, including \$428 million in federal stimulus funding. Federal stimulus funding is included in state-level education appropriations and total education revenue throughout this report. State tax and non-tax appropriations accounted for 89% of state and local funding, with local tax appropriations contributing 11%. The vast majority of state and local support for higher education went to general operations at public institutions (78%). Roughly 10% of funding was used for research, agricultural extension programs, and medical schools. Another 8.4% was allocated for student financial aid at public institutions. Less than 3% of all state and local funding supported independent (private) institutions, and most of those funds went to student financial aid.



FULL-TIME EQUIVALENT (FTE) ENROLLMENT

Full-time equivalent (FTE) enrollment equates student credit hours to full-time academic year students. FTE excludes medical students.

- There were 10.9 million FTE enrolled students in 2020. Net FTE enrollment declined 0.6% this year, a loss of 68,610 FTE students. 2020 marks the ninth straight year of enrollment declines following substantial enrollment increases during the Great Recession.
- Enrollment declined in 35 states and Washington, D.C., between 2019 and 2020. The recent enrollment decline is concentrated at two-year public institutions, which reported a 1.9% decline, while public four-year institutions reported a 0.2% increase in net FTE enrollment.



EDUCATION APPROPRIATIONS PER FTE

Education appropriations measure state and local support for public higher education operating expenses and exclude research, hospitals, and medical education. State-level education appropriations include agency funding and federal stimulus funding; sector-level appropriations do not.

Inflation-adjusted education appropriations per FTE increased 2.9% in the last year, reaching \$8,636. Appropriations increased in 41 states and Washington, D.C., from 2019 to 2020. Education appropriations per FTE ranged from \$3,387 in Vermont to \$21,802 in Wyoming.

Education appropriations per FTE have increased for eight consecutive years, but these increases have not been large enough to make up for declines during the last two recessions. As a result, education appropriations per FTE in 2020 remain at a lower level than most years prior to the Great Recession's steep declines.

Nationally, education appropriations remain 6.0% and 14.6% below 2008 and 2001 levels, respectively. Appropriations have fully recovered to at least 2008 levels in 18 states, a large improvement from last year. Still, appropriations in 12 states are at least 20% below 2008 levels, signifying a lack of recovery in education appropriations following the last recession. The largest declines from 2008 to 2020 are in Arizona (42.7%), Oklahoma (38.6%), and Louisiana (37.3%).

While two- and four-year public institutions had similar levels of education appropriations per FTE in 2020 (\$8,173 and \$8,392, respectively), there were important differences in the sources of their state and local funding:

- Two-year public institutions received \$4,969 per FTE in state general operating appropriations, 67.6% of the four-year general operating appropriation (\$7,352).
- Local appropriations were 144 times higher at two-year institutions (\$2,727) compared to four-year institutions (\$19 per FTE). Twenty-nine states had local appropriations for two-year institutions, compared to only seven for four-year institutions.
- Total state and local support (which includes state research funding) was \$8,173 at two-year institutions, 81% of the amount at four-year institutions (\$10,092).



STATE PUBLIC FINANCIAL AID PER FTE

State public financial aid is any state appropriated student financial aid for public institutions, excluding loans. These funds are included in education appropriations.

- State public financial aid per FTE increased 7.0% from 2019 to 2020 and reached an all-time high of \$830 per FTE. These funds made up 9.6% of all education appropriations, the largest proportion since these data were first collected in 2001.
- Financial aid has increased steadily despite economic recessions that negatively impacted the rest of education appropriations. Since 2001, financial aid per FTE has increased in all but three years.
- Financial aid per FTE increased in 33 states in the last year. In 2020, four states awarded less than \$100 per FTE in state financial aid (Arizona, Michigan, Montana, and New Hampshire); another four states awarded over \$2,000 per FTE (Georgia, Louisiana, South Carolina, and Tennessee).
- State financial aid awards averaged \$477 at two-year institutions, 46.7% of the \$1,021 awarded to students attending four-year institutions. The majority of states awarded more financial aid per FTE to students attending four-year institutions.



NET TUITION REVENUE PER FTE

Net tuition revenue is the total amount of tuition and fees, minus state and institutional financial aid and medical tuition and fees.

- Public institutions received, on average, \$6,726 in net tuition revenue from in-state and out-of-state students in 2020, down 1.0% from last year. The decline in net tuition revenue is due mostly to increases in state public financial aid, but even after considering the effects of financial aid, net tuition revenue per FTE did not keep up with inflation in either of the last two years.
- Notably, this is only the second time period with declines in net tuition revenue per FTE since the SHEF dataset began in 1980. Net tuition revenue per FTE has increased 61.7% (\$2,566) over the last 20 years.
- Net tuition revenue per FTE declined in 26 states and Washington, D.C., between 2019 and 2020. Florida had the lowest net tuition revenue per FTE (\$2,360) while Delaware had the highest (\$18,242).
- In 2020, two-year institutions received \$2,606 in net tuition revenue per FTE or 27.8% of the average net tuition revenue per FTE at four-year institutions (\$9,385).
- Only one state (Florida) has higher average net tuition revenue per FTE in the two-year sector; all other states receive more tuition revenue per FTE from the four-year sector.



TOTAL EDUCATION REVENUE PER FTE

Total education revenue is the sum of education appropriations and net tuition, excluding net tuition revenue used for capital debt service.

- Total education revenue increased 1.2% from 2019 to 2020, reaching an all-time high of \$15,276 per FTE. This marks the eighth year of total revenue increases following declines during the Great Recession. However, total revenue is not at a record high in more than half of all states, and varies substantially by institution type. Many institutions, particularly those that are the most reliant on state funding, have not been able to increase tuition revenue to offset declines in state funding and are not at an all-time high for total education revenue.
- Public institutions in seven states and Washington, D.C., have more than \$20,000 per FTE in education revenue. These funds are primarily sourced from education appropriations in Alaska, Illinois, Washington, D.C., and Wyoming, and come mainly from tuition revenue in Alabama, Connecticut, Delaware, and Michigan.
- In 2020, four-year institutions averaged \$17,645 in total education revenue per FTE, 1.64 times the amount at two-year institutions. Four-year institutions had less total revenue than two-year institutions in only one state (Wisconsin).



STUDENT SHARE

The student share is a measure of the proportion of total education revenue at public institutions from net tuition revenue.

- There has been a substantial shift of responsibility for financing public higher education toward net tuition revenue, from 20.9% in 1980 to 44.0% in 2020. The student share increases most rapidly during periods of economic recession, shifting more of higher education costs to students and families. Given this historic trend, we expect that the student share may rise substantially in the coming years following the fiscal year 2020 recession.
- In 2020, half of all states had a student share above 50%. From 2019-2020, the student share decreased in 39 states and Washington, D.C. However, over the last 10 years, the student share has increased in 41 states.
- At two-year institutions, the average student share was less than a quarter (24.2%). At four-year institutions, the average student share was over half (53.2%). In seven states, the four-year student share is greater than 75%: Alabama, Arizona, Colorado, Delaware, Michigan, New Hampshire, and Vermont.
- At only 3.1%, California's community colleges have, by far, the lowest student share of any sector or state in the country. Vermont four-year institutions have the highest student share (88.1%).

IMPLICATIONS

State and local education appropriations per student increased for the eighth straight year in 2020, signifying states' continued commitment to restore prior funding cuts to higher education. In total, 18 states have reached pre-recession levels, a large improvement from last year when only nine states had met this milestone. Still, 2020 signifies a high point in funding as February 2020 marked a new recession,¹ and funding has never been so low at the start of an economic recession.

Public institutions of higher education may be in a more precarious financial situation than at any other time in recent history. Not only are institutions in most states entering this period of uncertainty at historically low levels of state funding, but they face added constraints due to the decline in their other primary revenue source, net tuition revenue. Tuition revenue did not increase enough to keep up with the rate of inflation from 2019 to 2020, and early evidence of continued enrollment declines over the next year suggest that this trend will only accelerate.² With declining revenue from both states and students and after a year of increased costs due to the pandemic and switch to online learning, state support for higher education is crucial for the continued success of our public institutions. While federal stimulus and relief funds are helpful, they are not a replacement for long-term state investments as stimulus funds are time limited and often restricted in their use.

During these uncertain financial times, states and institutions risk undoing recent progress toward state attainment goals, particularly those with a focus on reducing inequality in educational attainment. Students of color and low-income students have been disproportionately impacted by the pandemic and economic recession, and early estimates suggest enrollment of these same historically underserved populations may be declining faster than among historically privileged students.^{3,4} It is critical for states to continue to push for increased equity in attainment through the ups and downs of the economic cycle. Continuing to use higher education as a budgetary release valve as state economies recover from the pandemic recession may undermine student affordability and harm public institutions' ability to provide quality educational opportunities.

-
1. State funding for higher education is projected to decline in the next fiscal year. For more information about the expected impacts of the COVID-19 pandemic and economic recession on higher education funding, see the SHEEO analysis of early fiscal year 2021 funding: Laderman, S., & Tandberg, D. (2021). *SHEEO analysis of fiscal year 2021 state funding for higher education*. State Higher Education Executive Officers Association. https://sheeo.org/wp-content/uploads/2021/03/SHEEO_Analysis_FiscalYear2021_State_Funding.pdf
 2. National Student Clearinghouse Research Center. (2021). *Spring 2021 enrollment (as of Feb 11)*. <https://nscresearchcenter.org/stay-informed/>
 3. Ibid.
 4. National Student Clearinghouse Research Center. (2021). *High school benchmarks COVID-9 special analysis update & correction*. https://nscresearchcenter.org/wp-content/uploads/2021_HSBenchmarksCovidReport.pdf

SOURCES AND USES OF STATE FUNDING

The SHEF report is primarily concerned with state and local investments for higher education. In this section, we present data on the distribution of these state and local funds. In later sections, we examine how funding has changed over time on a per-student, inflation-adjusted basis.

In considering a state's investment in higher education, SHEF includes all state and local revenue sources, including those from taxes, lottery receipts, mineral and resource extraction revenue, and state-funded endowments. SHEF also identifies the primary purposes or uses for which this public revenue is provided, including general institutional operating expenses, student financial assistance, support for centrally funded research, medical education, and extension programs. Higher education support is the third largest budget area of state spending. Still, the proportion of general funds allocated to higher education has steadily declined over time, from 12.9% in 1995 to 9.4% in 2020.^{5,6} It is generally understood that state funding for higher education acts as a balance wheel during economic downturns, with funding reductions typically greater than those in other budget areas.⁷ In part, states disproportionately reduce per-student funding to higher education due to the presumption that funding reductions can be offset with tuition revenue increases.

SOURCES OF STATE FUNDING

This section provides data and analysis of the sources of state and local government support for higher education over the last 15 years (2005–2020). **The funding amounts in this section are not adjusted for inflation or enrollment.**

1. NATIONAL TRENDS

Table 1.1 shows that state and local government funding for higher education totaled \$108 billion in fiscal year 2020, with \$428 million in federal stimulus funding. Federal stimulus funding in 2020 comprised just 0.4% of total support.⁸ States contributed \$97 billion, and local governments in 31 states contributed \$12 billion, representing increases of 4.5% and 4.3%, respectively. The largest funding source was state tax appropriations, which accounted for \$91 billion or 83.9% of total funding. Non-tax support (mostly from state lotteries) increased 9.1% and totaled nearly \$4.4 billion. Non-appropriated support, state-funded endowments, and other sources of state funding contributed an additional \$1.1 billion.

5. National Association of State Budget Officers. (2020). *State expenditure report: Fiscal years 2018–2020*. <https://www.nasbo.org/reports-data/state-expenditure-report>

6. Unlike the SHEF data, NASBO expenditures exclude employer contributions to pensions and health benefits.

7. Delaney, J., & Doyle, W. (2011). State spending on higher education: Testing the balance wheel over time. *Journal of Education Finance*, 36(4). <http://www.jstor.org/stable/23018116>

8. Federal stimulus funding is provided to state governments to stabilize state and local sources of revenue for higher education and includes funds from the American Recovery and Reinvestment Act (ARRA) during the Great Recession and the Coronavirus Aid, Relief, and Economic Security (CARES) Act in 2020. The federal stimulus must be state-allocated and excludes aid provided directly to institutions.

TABLE 1.1
**SOURCES OF STATE AND LOCAL HIGHER EDUCATION FUNDING IN THE U.S., FY 2005-2020
(UNADJUSTED DOLLARS, IN MILLIONS)**

SOURCE	2005	2010	2015	2018	2019	2020	2020 % DISTRIBUTION
FEDERAL STIMULUS	\$-	\$5,402	\$-	\$-	\$-	\$428	0.4%
TAX APPROPRIATIONS	\$63,061	\$71,491	\$78,021	\$84,344	\$87,927	\$91,329	83.9%
NON-TAX SUPPORT	\$2,122	\$2,922	\$3,231	\$3,820	\$4,011	\$4,377	4.0%
NON-APPROPRIATED SUPPORT	\$111	\$79	\$118	\$125	\$141	\$167	0.2%
STATE-FUNDED ENDOWMENT EARNINGS	\$292	\$401	\$483	\$560	\$647	\$665	0.6%
OTHER	\$298	\$298	\$213	\$226	\$245	\$288	0.3%
FUNDS NOT AVAILABLE FOR USE	\$45	\$394	\$71	\$76	\$63	\$204	0.2%
TOTAL STATE SUPPORT	\$65,838	\$80,200	\$81,994	\$88,998	\$92,909	\$97,050	89.2%
LOCAL TAX APPROPRIATIONS	\$6,731	\$8,837	\$9,287	\$10,907	\$11,298	\$11,788	10.8%
TOTAL STATE AND LOCAL SUPPORT	\$72,569	\$89,038	\$91,281	\$99,905	\$104,207	\$108,838	100.0%
TOTAL STATE AND LOCAL SUPPORT (NO STIMULUS)	\$72,569	\$83,635	\$91,281	\$99,905	\$104,207	\$108,410	99.6%

NOTES:

1. Federal stimulus funding is provided to state governments to stabilize state and local sources of revenue for higher education and includes funds from the American Recovery and Reinvestment Act (ARRA) during the Great Recession and the Coronavirus Aid, Relief, and Economic Security (CARES) Act in 2020. Federal stimulus must be state-allocated and excludes aid provided directly to institutions.
2. Other includes multiyear appropriations from previous years and funds not classified in one of the other source categories.
3. Funds not available for use include appropriations that were returned to the state, and portions of multiyear appropriations to be spread over other years.
4. Total state and local support is the sum of federal stimulus funds, state and local tax appropriations, non-tax support, non-appropriated support, state-funded endowment earnings, and other state funds, net of any funds not available for use.

SOURCE: State Higher Education Executive Officers Association

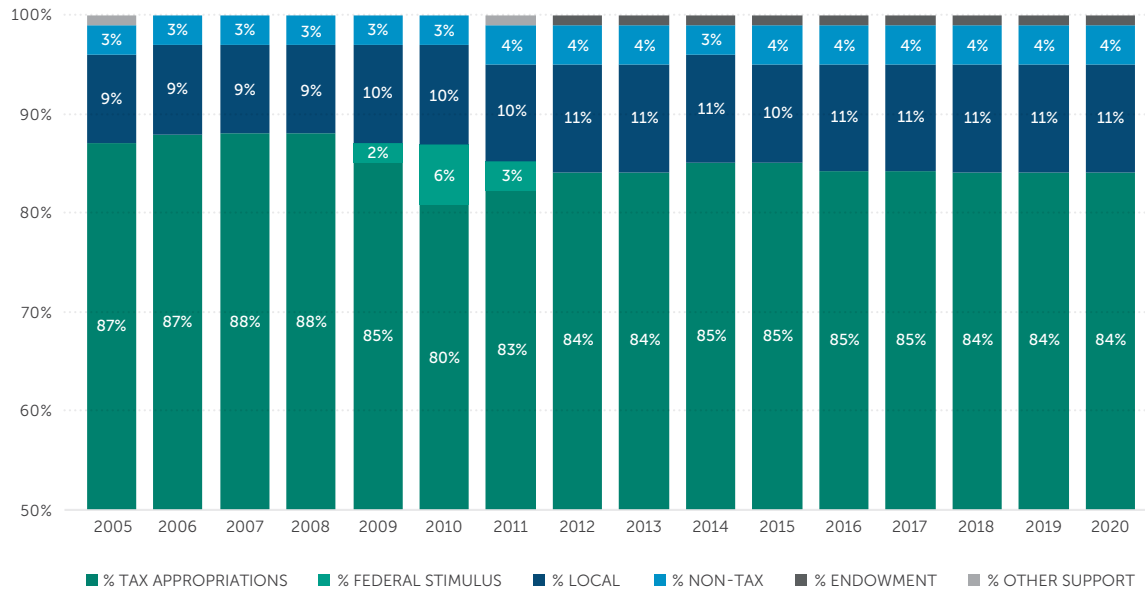
Figure 1.1 shows that the sources of state and local funding have become more diversified since the Great Recession. Before 2008, tax appropriations routinely accounted for 87-88% of higher education support. Since then, tax appropriations are closer to 84-85%, and the portion of revenue from local appropriations increased by 1.7 percentage points while non-tax sources increased 1.4 percentage points.


SHEF ISSUE BRIEF: ANALYSIS OF FEDERAL STIMULUS FUNDING

The federal government provided states with emergency relief and stimulus funding following the COVID-19 pandemic and economic recession in 2020. The **SHEF Issue Brief** on federal stimulus funding details the different federal funding packages and their allowable uses for higher education for the current and previous recession and explores trends over time in the use of federal stimulus funding for higher education by state. Key findings include:

- In the last two fiscal years, states allocated \$2.38 billion in federal funding to higher education. Fourteen states allocated \$428 million in 2020, and 32 states allocated \$1.95 billion in 2021 (per early estimates).
- States used federal funding for student financial aid, providing devices and internet access for students, coordinating public health efforts and COVID-19 testing, training faculty on remote learning, and general support to maintain operations and student supports.

FIGURE 1.1
DISTRIBUTION OF STATE AND LOCAL HIGHER EDUCATION FUNDING SOURCES, U.S.,
FY 2005-2020



NOTES:

1. Tax appropriations are any appropriations from state government taxes to institutions for operations and other higher education activities.
2. Federal stimulus funding is provided to state governments to stabilize state and local sources of revenue for higher education and includes funds from the American Recovery and Reinvestment Act (ARRA) during the Great Recession and the Coronavirus Aid, Relief, and Economic Security (CARES) Act in 2020. Federal stimulus must be state-allocated and excludes aid provided directly to institutions.
3. Local appropriations are the sum of tax appropriations from any government entity below the state level to public institutions for operating expenses. Local appropriations do not include grants from local nonprofit organizations such as chambers of commerce and charitable foundations.
4. Non-tax support includes any appropriated non-tax state support set aside by the state for higher education. This may include, but is not limited to, allocations from lotteries (including lottery scholarships), tobacco settlements, casinos, or other gaming sources.
5. In all years, state-funded endowment earnings and other sources accounted for less than 1% of total state and local funding for higher education. Other sources include non-appropriated funds, multiyear appropriations from previous years, and funds not classified in one of the other source categories.

SOURCE: State Higher Education Executive Officers Association

2. STATE COMPARISONS

While the distribution of state and local higher education funding sources varies across the nation, almost all states are heavily reliant on state tax appropriations.⁹ In six states (Connecticut, Delaware, Massachusetts, Minnesota, North Dakota, and Washington), tax appropriations are the only major source of state and local funding for higher education. Another 38 states and Washington, D.C., rely on state tax appropriations for at least 75% of their funding.

Arizona is the only state where the majority of higher education funding did not come from state tax appropriations. Nearly half (47.8%) of higher education funding in Arizona came from local appropriations. Kansas, Michigan, and Oregon were the only other states that relied on local appropriations for at least 20% of higher education funding. Nineteen states and Washington, D.C., received no local tax appropriations.¹⁰

9. See Table 1.2 available online at https://shef.sheeo.org/report/?report_page=sources-and-uses-of-funding.

10. In Washington D.C., district taxes are considered state tax appropriations, not local support.

Several Southern states with financial aid programs funded from lottery dollars were also less reliant on tax appropriations. Florida, Georgia, Kentucky, and South Carolina all relied on non-tax support for at least 20% of higher education funding. Meanwhile, 24 states and Washington, D.C., had no non-tax support.

Endowments, non-appropriated, and other sources of state revenue made up 1% or less of higher education funding in all but 12 states and Washington, D.C. Arizona, Oklahoma, Texas, and Wyoming were the only states where these revenue sources made up more than 5% of higher education support.

Federal stimulus funding provided to state governments in 2020 was used for higher education in 14 states. These funds comprised less than 5% of total state and local support in all but four states: New Hampshire (17.3%), Wyoming (10.9%), Vermont (9.5%), and Michigan (7.8%).

Several noteworthy trends have emerged as states have become less reliant on tax appropriations over time. These trends can be explored more closely using the interactive version of *Figure 1.1* on the [SHEF website](#).¹¹

Many states are increasingly reliant on local appropriations. Since 2005, the proportion of total funding from local appropriations has increased in 26 states. In seven states (Arizona, Iowa, Kansas, Nebraska, New Mexico, Oregon, and Texas), this proportion has increased by at least 5 percentage points.

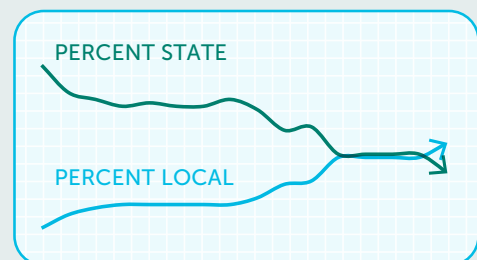
Similarly, 20 states had increases in non-tax appropriations from 2005 to 2020. In five Southern states (Arkansas, Florida, Kentucky, South Carolina, and Tennessee), all with sizable lottery-funded student financial aid programs, non-tax support as a proportion of total funding increased by more than 5 percentage points.

STATE SPOTLIGHT: ARIZONA



Between 2001 and 2015, state tax appropriations in Arizona declined from 74% to 48% of all higher education funding. During this time, the portion of funding from local appropriations increased from 26% to 47%. This growing reliance on local appropriations reflected steady disinvestment by the state in public two-year institutions.

In fiscal year 2016, the state eliminated all state funding for the two largest community colleges.¹² As a result, local appropriations reached 50% of all funding for the first time in 2016. Today, **Arizona is the only state with a higher portion of funding coming from local sources than from state tax appropriations.**



11. <https://shef.sheeo.org/>

12. Arizona Joint Budget Committee. (2018). *Arizona community colleges general fund appropriations: FY 2010 through FY 2019*. <https://www.azleg.gov/jlbc/accgfapp.pdf>

USES OF STATE FUNDING

This section provides data and analysis of the uses of state and local government support for higher education over the last 15 years (2005-2020). As with the prior section, **this section's funding amounts are not adjusted for inflation or enrollment**. However, unlike the prior section, federal stimulus funding is excluded from uses of state and local funding.

1. NATIONAL TRENDS

Table 1.3 shows that, nationally, \$84.9 billion or 78.3% of state and local higher education funding was allocated to support general public operations at public institutions. This represents an increase of 3.2% over fiscal year 2019. General public operations include funding directly used to support instruction at two- and four-year public institutions as well as funding to state higher education agencies.



Agency funding is the allocation of operating funds to state-funded, state-level coordinating and governing bodies. These funds have always been included in general public operations but were not available as a breakout until this year. In 2020, states provided \$2.38 billion in agency funding (2.8% of all general public operations).

Other uses of funding include:

- Special purpose appropriations for research, agricultural extension programs, public health care services, and medical education (RAM). RAM funds have increased 6.6% since 2019 to \$11.3 billion.
- Student financial aid, which increased 8.2% to \$11.5 billion. Nearly 79% of total student aid was allocated to students attending public institutions.
- Operating support for independent (private) institutions, which increased 8.0% to \$276 million, and support for non-credit and continuing education, which increased 2.0% to \$386 million. Together, these uses of state and local funding constitute 0.6% of higher education funding.

TABLE 1.3
**USES OF STATE AND LOCAL HIGHER EDUCATION FUNDING IN THE U.S., FY 2005-2020
(UNADJUSTED DOLLARS, IN MILLIONS)**

USE	2005	2010	2015	2018	2019	2020	2020 % DISTRIBUTION
GENERAL PUBLIC OPERATIONS	\$56,586	\$64,644	\$71,473	\$78,740	\$82,334	\$84,928	78.3%
AGENCY FUNDING	N/A	N/A	N/A	N/A	\$2,147	\$2,382	2.2%
RESEARCH - AGRICULTURE - MEDICAL (RAM)	\$9,048	\$9,956	\$9,883	\$10,524	\$10,595	\$11,297	10.4%
STATE PUBLIC FINANCIAL AID	\$4,211	\$6,113	\$7,108	\$7,855	\$8,384	\$9,079	8.4%
OUT-OF-STATE STUDENT AID	\$35	\$40	\$41	\$37	\$38	\$38	0.0%
INDEPENDENT STUDENT AID	\$2,189	\$2,362	\$2,248	\$2,231	\$2,222	\$2,405	2.2%
INDEPENDENT OPERATING SUPPORT	\$250	\$212	\$212	\$219	\$256	\$276	0.3%
NON-CREDIT AND CONTINUING EDUCATION	\$251	\$309	\$317	\$299	\$379	\$386	0.4%
TOTAL STUDENT FINANCIAL AID	\$6,435	\$8,514	\$9,397	\$10,127	\$10,667	\$11,546	10.7%
TOTAL INDEPENDENT SUPPORT	\$2,439	\$2,574	\$2,459	\$2,451	\$2,478	\$2,682	2.5%
TOTAL STATE AND LOCAL SUPPORT (NO STIMULUS)	\$72,569	\$83,635	\$91,281	\$99,905	\$104,207	\$108,410	100.0%

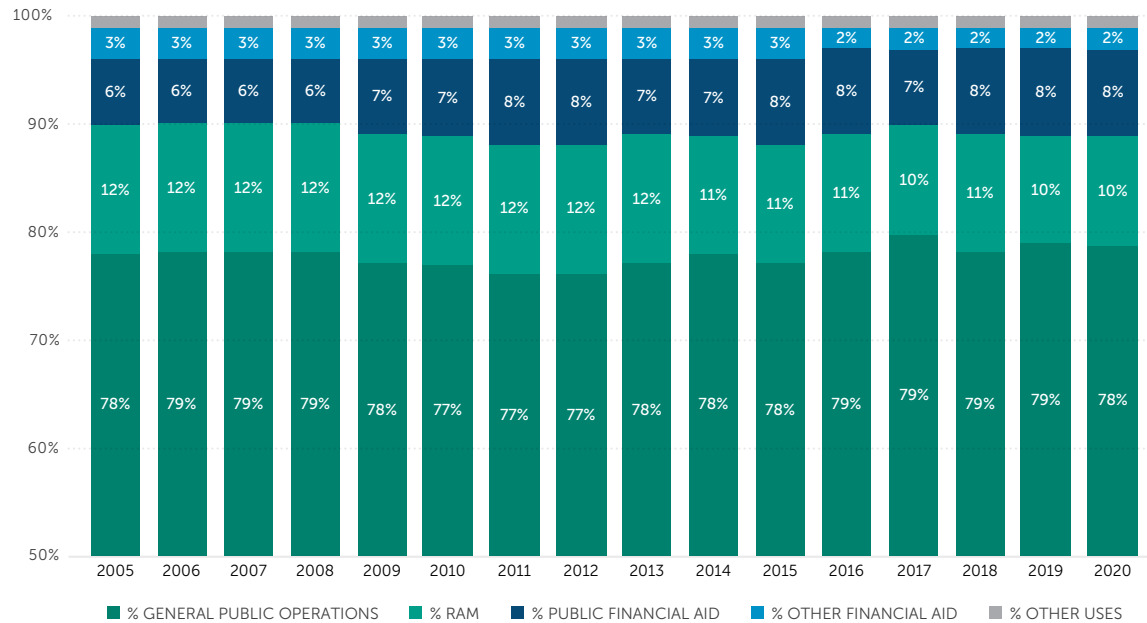
NOTES:

1. General public operations are any state and local support for public higher education institutions and agencies, excluding RAM, financial aid, and non-credit and continuing education. Federal stimulus funding is not included.
2. Agency funding is included in general public operations, and is the allocation of operating funds to state-funded, state-level coordinating and governing bodies.
3. RAM refers to the total appropriations intended for the direct operations of research, agriculture, public health care services, and medical schools.
4. Total student financial aid is the sum of any state appropriated student financial aid for public, independent, and out-of-state institutions, excluding loans. Financial aid for students attending medical institutions is included in total student financial aid but excluded from all other student aid categories.
5. Total independent support is the sum of state funds for private institutions (independent student aid and independent operating support).
6. Total state and local support is the sum of tax appropriations, non-tax support, local appropriations, non-appropriated support, state-funded endowment earnings, and other state funds, net of any funds not available for use. Federal stimulus funding is not included.

SOURCE: State Higher Education Executive Officers Association

Overall, except for a growing portion of funding allocated to financial aid, the uses of state and local higher education funding have remained relatively constant on a national level over time. *Figure 1.3* shows that the most significant change in uses of higher education funding has been with the portion of funding allocated to public financial aid, which increased from 5.8% in 2005 to 8.3% of all state and local support in 2020. Financial aid to students attending independent or out-of-state institutions declined by nearly 1 percentage point over that same time frame, and now accounts for 2.2% of state and local support.

FIGURE 1.3
DISTRIBUTION OF STATE AND LOCAL HIGHER EDUCATION FUNDING USES, U.S.,
FY 2005-2020



NOTES:

1. General public operating is any state and local support for public higher education not allocated to one of the subsequent categories. Federal stimulus funding is not included.
2. RAM is the portion of total state and local appropriations allocated for the direct operations of research, agriculture, public health care services, and medical schools.
3. Other financial aid includes any state appropriated student financial aid to students attending independent (private) or out-of-state institutions.
4. In all years, other uses accounted for less than 1% of total state and local funding for higher education. Other uses include funding for non-credit and independent operating.

SOURCE: State Higher Education Executive Officers Association

2. STATE COMPARISONS

Across the states, there is significant variation in the uses of state and local funding for higher education.¹³ However, all states allocated at least half of funding to general public operations in fiscal year 2020. In 21 states and Washington, D.C., at least 80% of funding was allocated for public institutions' general operations. Over the last 15 years, 30 states decreased the proportion of funding allocated to general public operations.



Forty-five states reported agency funding in fiscal year 2020. Agency allocations ranged from 0.02% of all support in Montana to 19.8% in Connecticut. Agency funding accounted for less than 1% of all support in 25 states. States reporting no agency funding include Michigan, which does not have a statewide board for higher education, and Maine, where the state is not involved in determining budgets for the three higher education systems, and the systems allocate their own funding from their general budgets (which could include state support and/or tuition revenue).

13. See Table 1.3 available online at https://shef.sheeo.org/report/?report_page=sources-and-uses-of-funding

All but one state (Rhode Island) provided state and local support for direct operations of research, agriculture, public health care services, and medical schools (RAM). Thirty-two states allocated at least 10% of funding to these areas in 2020, with Mississippi and West Virginia providing more than 25% of total funding to RAM.

State support for student financial aid ranged from 0.5% in Michigan to 34.6% in South Carolina. Four states (Arizona, Hawaii, Michigan, and Montana) allocated less than 1% of funding to student financial aid. Six states (Georgia, Kentucky, Louisiana, South Carolina, Tennessee, and Vermont) allocated more than 20% of funding to financial aid. From 2005 to 2020, 38 states increased the portion of total state and local support they appropriated to student financial aid.

Support for independent (private) institutions is generally one of the smallest allocations of state and local funding. While 45 states provided funding to independent institutions, only three states (Minnesota, Pennsylvania, and South Carolina) gave more than 6% of funding to these institutions. In these states, funding for independent institutions was predominantly allocated to student financial aid rather than institutional operating appropriations.



SHEF ISSUE BRIEF: STATE FUNDING FOR PRIVATE INSTITUTIONS

Each year, states provide funding to private higher education institutions through both general operating appropriations and student financial aid. However, these funds are excluded from most SHEF analyses, which focus on public institutions. The [SHEF Issue Brief](#) on state funding for private institutions provides an overview of how these funds vary across states and have changed over time. Key findings include:

- In 2020, state governments in 45 states provided \$2.68 billion in support to private (independent) institutions. This represents 2.8% of total state support.
- Since 2001, inflation-adjusted state support to private institutions has declined 16.4% in total dollars and 48.0% per FTE. In contrast, support for public institutions has decreased 0.4% total and 22.4% per FTE.
- The vast majority of state funding for private institutions flows through student financial aid (89.7%). However, the proportion of state financial aid allocated to students attending private institutions has declined from 38% in 2001 to 21% in 2020.

DISTRIBUTION OF REVENUE: WAVE CHARTS AND STUDENT SHARE

This section explores trends in the distribution and levels of the two primary revenue sources for public institutions of higher education: state and local funding and student tuition revenue. From this section on, the SHEF report highlights trends in higher education revenue and enrollment for **public institutions** only.

Throughout the report, several derived metrics are analyzed first at the U.S. level and then across states.¹⁴ These metrics are net full-time equivalent (FTE) enrollment, general public operations, state public financial aid, education appropriations, net tuition revenue, total education revenue, and the student share. Each metric is defined in *Table 2.1* and in the more detailed sections that follow.

SHEF's analytic methods are designed to make basic data about higher education finance as comparable as possible across states and over time. Finance metrics are provided on a per-student basis (using FTE enrollment) and are modified using three adjustments:¹⁵



Higher Education Cost Adjustment (HECA) adjusts for inflation over time;



Cost of Living Index (COLI) accounts for cost of living differences among the states; and



Enrollment Mix Index (EMI) adjusts for differences in the mix of enrollments across institutions resulting in different costs across the states (e.g., at community colleges or more expensive research institutions).

OVERVIEW: TRENDS OVER TIME

1. NATIONAL TRENDS

Table 2.1 shows the effects of FTE enrollment and inflation on the SHEF metrics. The progression shown in this table is a starting point for understanding the national story of public higher education funding from state and local sources, tuition revenue from students and families, and enrollment over time. Note that the state adjustments (COLI and EMI) do not impact the U.S. average.

The first section of *Table 2.1* shows that in unadjusted dollars (without adjusting for inflation or enrollment), education appropriations increased 4.1% over 2019. Both subcomponents of education appropriations also increased, 3.2% for general public operations and 8.3% for state public financial aid. Net tuition revenue (tuition and fees net of state and institutional aid and medical tuition) increased 0.2%.

14. It is important to note that the U.S. totals are not averages of state averages. For example, "U.S. total education appropriations per FTE" is the sum of all education appropriations divided by the sum of all net FTE across the 50 states. It is not the average of each of the 50 states' individual per-FTE calculations.

15. These adjustments are described in more detail on the data definitions page of the [SHEF website \(https://shef.sheeo.org\)](https://shef.sheeo.org).

The middle section of *Table 2.1* shows that the Higher Education Cost Adjustment (HECA), a measure of inflation in service industries, increased 1.8% from 2019 to 2020. After applying HECA and therefore removing any increases due to inflation, we see reductions in the single-year increases in education appropriations and its components and a 1.6% decline in net tuition revenue.¹⁶

The changes described above may be misleading if not contextualized with changes in FTE enrollment, shown in the final section of *Table 2.1*. In the last year, enrollment declined 0.6% or about 68,600 FTE students. After adjusting for both inflation and enrollment, we see that education appropriations increased 2.9% (general public operations increased 2.0%, financial aid increased 7.0%), while net tuition revenue decreased 1.0% and total education revenue increased 1.2% per FTE.

This year marks the fourth ever decrease in inflation-adjusted net tuition revenue per FTE since the beginning of the SHEF dataset in 1980. Net tuition revenue per FTE has only declined in 2000 (2.6%), 2001 (1.3%), 2019 (3.2%), and now 2020 (1.0%). This decline is due to decreased enrollment in the two-year sector and financial aid increases across both sectors.

Figures described here and reported in *Table 2.1* include federal stimulus funding in fiscal 2020.

MEASUREMENT NOTE: FEDERAL STIMULUS FUNDING



*In most cases, federal stimulus funding reported in 2020 comes from the Governor's Emergency Education Relief Fund (GEERF), a part of the CARES Act. States also included funds allocated to higher education from the Coronavirus Relief Fund (CRF). In many states, funds were used to help institutions deal with increased expenses due to the pandemic. For example, in Alabama, a portion of stimulus funds were used to purchase personal protective equipment (PPE) and help institutions transfer to remote learning. Federal stimulus funds are included in state-level education appropriations and total education revenue but are **not** counted as part of sector-level education appropriations or general operating appropriations because of the way these data are collected.*

16. Net tuition revenue declines are generally due to increases in state-funded financial aid, declines in enrollment, and/or declines in the proportion of students paying higher rates of tuition, like out-of-state or international students.

TABLE 2.1
IMPACT OF INFLATION AND ENROLLMENT ON SHEF METRICS, U.S., FY 1980-2020

	1980	2001	2010	2015	2019	2020	% CHANGE SINCE 2019	% CHANGE SINCE 2015	% CHANGE SINCE 2010	% CHANGE SINCE 2001	% CHANGE SINCE 1980
CURRENT UNADJUSTED DOLLARS (MILLIONS)											
STATE PUBLIC FINANCIAL AID	N/A	\$2,834	\$6,113	\$7,108	\$8,384	\$9,079	8.3%	27.7%	48.5%	220.4%	N/A
GENERAL PUBLIC OPERATIONS	N/A	\$53,269	\$64,644	\$71,473	\$82,334	\$84,928	3.2%	18.8%	31.4%	59.4%	N/A
TOTAL EDUCATION APPROPRIATIONS	\$16,134	\$56,102	\$76,159	\$78,581	\$90,695	\$94,411	4.1%	20.1%	24.0%	68.3%	485.2%
NET TUITION REVENUE	\$4,264	\$22,789	\$49,929	\$67,258	\$73,405	\$73,528	0.2%	9.3%	47.3%	222.6%	1624.5%
TOTAL EDUCATION REVENUE	\$20,398	\$78,780	\$125,562	\$145,024	\$163,199	\$167,006	2.3%	15.2%	33.0%	112.0%	718.7%
CONSTANT INFLATION ADJUSTED DOLLARS (MILLIONS)											
HIGHER EDUCATION COST ADJUSTMENT (HECA)	0.2671	0.6372	0.8204	0.9015	0.9823	1.0000	1.8%	10.9%	21.9%	56.9%	274.3%
STATE PUBLIC FINANCIAL AID	N/A	\$4,447	\$7,451	\$7,885	\$8,535	\$9,079	6.4%	15.1%	21.8%	104.2%	N/A
GENERAL PUBLIC OPERATIONS	N/A	\$83,592	\$78,799	\$79,282	\$83,814	\$84,928	1.3%	7.1%	7.8%	1.6%	N/A
TOTAL EDUCATION APPROPRIATIONS	\$60,396	\$88,039	\$92,836	\$87,167	\$92,326	\$94,411	2.3%	8.3%	1.7%	7.2%	56.3%
NET TUITION REVENUE	\$15,961	\$35,762	\$60,862	\$74,606	\$74,725	\$73,528	-1.6%	-1.4%	20.8%	105.6%	360.7%
TOTAL EDUCATION REVENUE	\$76,358	\$123,626	\$153,056	\$160,869	\$166,134	\$167,006	0.5%	3.8%	9.1%	35.1%	118.7%
CONSTANT INFLATION ADJUSTED DOLLARS (PER FTE)											
FULL-TIME EQUIVALENT (FTE) ENROLLMENT	6,852,242	8,709,255	11,384,682	11,118,040	11,001,099	10,932,489	-0.6%	-1.7%	-4.0%	25.5%	59.5%
STATE PUBLIC FINANCIAL AID	N/A	\$511	\$654	\$709	\$776	\$830	7.0%	17.1%	26.9%	62.6%	N/A
GENERAL PUBLIC OPERATIONS	N/A	\$9,598	\$6,922	\$7,131	\$7,619	\$7,768	2.0%	8.9%	12.2%	-19.1%	N/A
TOTAL EDUCATION APPROPRIATIONS	\$8,814	\$10,109	\$8,154	\$7,840	\$8,392	\$8,636	2.9%	10.1%	5.9%	-14.6%	-2.0%
NET TUITION REVENUE	\$2,329	\$4,106	\$5,346	\$6,710	\$6,792	\$6,726	-1.0%	0.2%	25.8%	63.8%	188.7%
TOTAL EDUCATION REVENUE	\$11,143	\$14,195	\$13,444	\$14,469	\$15,102	\$15,276	1.2%	5.6%	13.6%	7.6%	37.1%

NOTES:

1. Full-time equivalent enrollment converts student credit hours to full-time, academic year students, but excludes medical students.
2. State public financial aid is the part of education appropriations used for student financial aid at public institutions, excluding loans and aid for students attending medical schools.
3. General public operations are any state and local support for public higher education institutions and agencies, excluding RAM, financial aid, and non-credit and continuing education. Federal stimulus funding is not included.
4. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding.
5. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees.
6. Total education revenue is the sum of education appropriations and net tuition, excluding net tuition revenue used for capital debt service. Total education revenue includes federal stimulus funding.
7. The years 1980 and 2001 are included in this table because they are the starting points of the historical SHEF dataset and modern SHEF data collection, respectively.
8. The Higher Education Cost Adjustment (HECA) estimates inflation in the costs paid by colleges and universities. HECA adjusts for inflation from the state perspective.

SOURCE: State Higher Education Executive Officers Association

2. SECTOR TRENDS



NEW DATA. *Table 2.1A* marks the SHEF report's first release of detailed sector-level data for the primary SHEF metrics. Modeled after *Table 2.1*, we show the impacts of inflation and enrollment on sector-level revenue at public institutions. Currently, only data for 2019 and 2020 are available. In future years, this table will expand to show longer trends over time.

In unadjusted dollars, education appropriations increased 2.3% at two-year institutions and 4.0% at four-year institutions. Sector-level education appropriations consist of state public financial aid, state public operating appropriations, and local appropriations. State public financial aid increased substantially across institution types, but state public operating was largely flat (0.6% increase) at two-year institutions yet increased 3.5% at four-year institutions. On the other hand, local appropriations (which primarily support community colleges) increased 4.4% at two-year institutions but were flat (0.1% increase) at four-year institutions. Four-year institutions also receive research, agricultural, and medical (RAM) appropriations, which increased 6.6% from 2019-2020.

The sector-level data show that the national decline in net tuition revenue is concentrated at two-year public institutions; unadjusted net tuition revenue declined 3.5% at two-year institutions and increased 1.5% at four-year institutions.

The second section of *Table 2.1A* shows that state public operating appropriations failed to keep up with inflation at two-year institutions (a 1.2% decline), and local appropriations failed to keep up with inflation at four-year institutions (a 1.7% decline). However, net FTE enrollment declined 1.9% at two-year institutions but increased 0.2% at four-year institutions. After considering changes in net FTE enrollment in the third section of the table, we see that in constant inflation-adjusted dollars per FTE enrollment,

- State public financial aid increased by \$41 per FTE at two-year institutions and \$57 per FTE at four-year institutions.
- State public operating increased \$35 per FTE at two-year institutions and \$103 per FTE at four-year institutions.
- Local appropriations increased \$119 at two-year institutions and were flat (less than \$1 per FTE decline) at four-year institutions.
- Research, agricultural extension, and medical appropriations only available to four-year institutions increased by \$73 per FTE.
- Net tuition revenue declined by \$92 per FTE at two-year institutions and \$51 per FTE at four-year institutions.
- Total education revenue per FTE increased \$104 and \$108 at two- and four-year institutions, respectively.

Additional analysis of sector-level trends on these metrics can be found throughout the remainder of the SHEF report.

TABLE 2.1A
**IMPACT OF INFLATION AND ENROLLMENT ON SHEF METRICS BY SECTOR, U.S.,
FY 2019-2020**

CURRENT UNADJUSTED DOLLARS (MILLIONS)	TWO-YEAR			FOUR-YEAR		
	2019	2020	% CHANGE SINCE 2019	2019	2020	% CHANGE SINCE 2019
STATE PUBLIC FINANCIAL AID	\$1,867	\$2,041	9.3%	\$6,288	\$6,798	8.1%
STATE PUBLIC OPERATING	\$21,135	\$21,254	0.6%	\$47,298	\$48,942	3.5%
LOCAL APPROPRIATIONS	\$11,173	\$11,662	4.4%	\$126	\$126	0.1%
RESEARCH - AGRICULTURE - MEDICAL (RAM)	\$-	\$-	N/A	\$10,595	\$11,297	6.6%
TOTAL STATE AND LOCAL SUPPORT	\$34,175	\$34,958	2.3%	\$64,329	\$67,186	4.4%
TOTAL EDUCATION APPROPRIATIONS	\$34,175	\$34,958	2.3%	\$53,712	\$55,865	4.0%
NET TUITION REVENUE	\$11,556	\$11,147	-3.5%	\$61,570	\$62,480	1.5%
TOTAL EDUCATION REVENUE	\$45,638	\$46,015	0.8%	\$114,434	\$117,469	2.7%

CONSTANT INFLATION ADJUSTED DOLLARS (MILLIONS)						
HIGHER EDUCATION COST ADJUSTMENT (HECA)	0.9823	1.0000	1.8%	0.9823	1.0000	1.8%
STATE PUBLIC FINANCIAL AID	\$1,901	\$2,041	7.4%	\$6,401	\$6,798	6.2%
STATE PUBLIC OPERATING	\$21,515	\$21,254	-1.2%	\$48,149	\$48,942	1.6%
LOCAL APPROPRIATIONS	\$11,373	\$11,662	2.5%	\$128	\$126	-1.7%
RESEARCH - AGRICULTURE - MEDICAL (RAM)	\$-	\$-	N/A	\$10,785	\$11,297	4.7%
TOTAL STATE AND LOCAL SUPPORT	\$34,789	\$34,958	0.5%	\$65,486	\$67,186	2.6%
TOTAL EDUCATION APPROPRIATIONS	\$34,789	\$34,958	0.5%	\$54,678	\$55,865	2.2%
NET TUITION REVENUE	\$11,764	\$11,147	-5.2%	\$62,677	\$62,480	-0.3%
TOTAL EDUCATION REVENUE	\$46,458	\$46,015	-1.0%	\$116,492	\$117,469	0.8%

CONSTANT INFLATION ADJUSTED DOLLARS (PER FTE)						
FULL-TIME EQUIVALENT (FTE) ENROLLMENT	4,361,016	4,277,443	-1.9%	6,642,373	6,657,237	0.2%
STATE PUBLIC FINANCIAL AID	\$436	\$477	9.5%	\$964	\$1,021	6.0%
STATE PUBLIC OPERATING	\$4,934	\$4,969	0.7%	\$7,249	\$7,352	1.4%
LOCAL APPROPRIATIONS	\$2,608	\$2,727	4.5%	\$19	\$19	-1.9%
RESEARCH - AGRICULTURE - MEDICAL (RAM)	\$-	\$-	N/A	\$1,624	\$1,697	4.5%
TOTAL STATE AND LOCAL SUPPORT	\$7,977	\$8,173	2.4%	\$9,859	\$10,092	2.4%
TOTAL EDUCATION APPROPRIATIONS	\$7,977	\$8,173	2.4%	\$8,232	\$8,392	1.9%
NET TUITION REVENUE	\$2,698	\$2,606	-3.4%	\$9,436	\$9,385	-0.5%
TOTAL EDUCATION REVENUE	\$10,653	\$10,758	1.0%	\$17,538	\$17,645	0.6%

NOTES:

1. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, state public financial aid includes aid both for tuition costs and living expenses.
2. State operating appropriations are a measure of state support directly allocated to public two- and four-year institutions. State operating excludes local appropriations, agency funding, RAM, and student financial aid.
3. Local appropriations are any local government taxes allocated directly to institutions for operating expenses.
4. RAM refers to the total appropriations intended for the direct operations of research, agriculture, public health care services, and medical schools.
5. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Sector-level education appropriations do not include federal stimulus or state agency funding.
6. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees.
7. Total education revenue is the sum of education appropriations and net tuition, excluding net tuition revenue used for capital debt service. Sector-level total education revenue excludes federal stimulus funding.
8. Sector-level data are a new component of the SHEF report and are not currently available for years prior to 2019.
9. Sector is determined at the institution level using the Carnegie Basic Classification (<https://carnegieclassifications.iu.edu>). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
10. The Higher Education Cost Adjustment (HECA) estimates inflation in the costs paid by colleges and universities. HECA adjusts for inflation from the state perspective.

SOURCE: State Higher Education Executive Officers Association

EDUCATION APPROPRIATIONS AND TUITION REVENUE

The historical data in *Figure 2.1* (the wave chart) demonstrate the economic cycle's impact on public higher education revenue from 1995 to 2020. From this point forward, all dollar figures in the SHEF report are adjusted for inflation and net FTE enrollment.

1. NATIONAL TRENDS

The **red line** in the wave chart shows FTE enrollment, which has broadly increased over time from 6.85 million in 1980 to 10.93 million in 2020. Enrollment traditionally increases sharply during recessions and levels off or declines during economic recoveries—2020 is the ninth straight year of enrollment declines, although annual declines have been less than 1% since 2015. Overall, enrollment is down 6.2% or 727,605 FTE since its peak in 2011.

The **blue bars** show change over time in education appropriations per FTE enrolled student. State education appropriations are made up of general operating funds for public institutions, state public financial aid, and state agency funding. The bars make the shape of a wave over time because per-student education appropriations generally fluctuate with the economic cycle. Education appropriations also include federal stimulus funding during the last two economic recessions. Stimulus funds can be broken out from the rest of education appropriations on the interactive version of this report.¹⁷

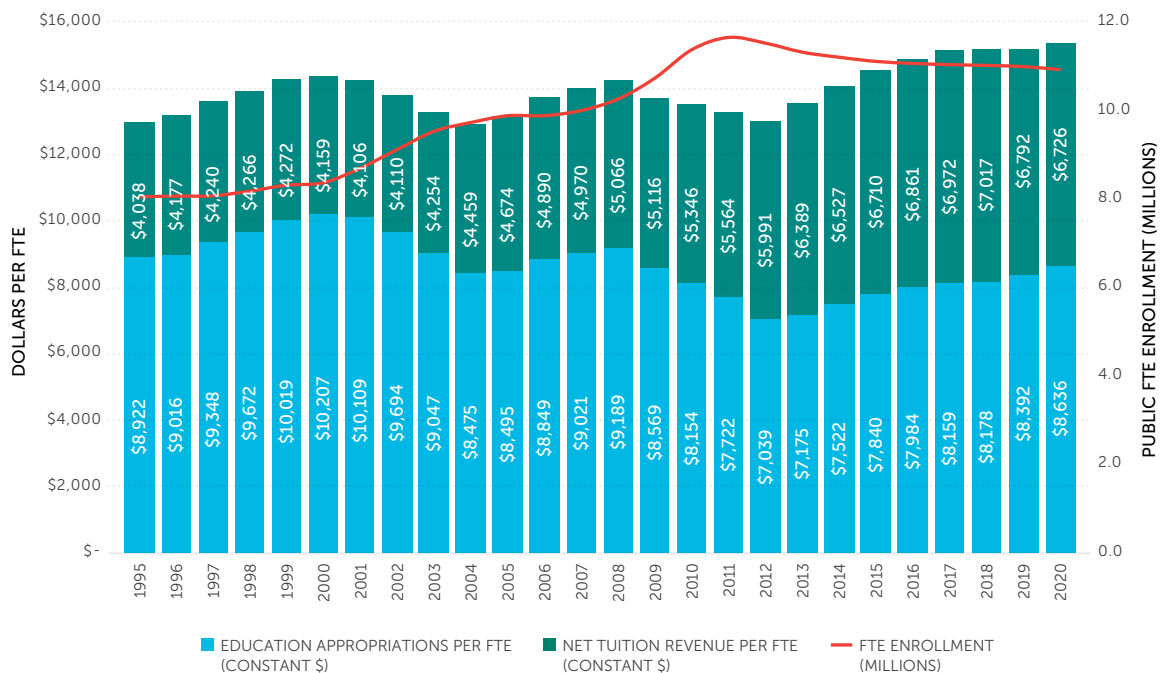
- Twenty years ago in fiscal year 2000, education appropriations reached a high of \$10,207 per FTE. Education appropriations have since declined over time, and in 2020 averaged \$8,636, down 15.4% (\$1,571 per student) from 20 years ago.
- The downward trend in education appropriations has not been linear. Funding reached a record low of \$7,039 in 2012 following declines during the Great Recession. Since that time, appropriations have increased for eight consecutive years. Over the last year, education appropriations increased 2.9% beyond inflation (\$243 per FTE) to \$8,636.
- Overall, appropriations have increased 22.7% or \$1,596 per FTE since the low point in 2012. Still, states have only recovered about three-quarters (74.3%) of the total \$2,149 decline in education appropriations per FTE seen during the Great Recession.

The **green bars** in *Figure 2.1* show net tuition revenue per FTE over time. Net tuition revenue measures tuition and fee revenue at public institutions, excluding state and institutional financial aid. Unlike education appropriations, net tuition has increased steadily over time, with an average annual increase of 2.7% above inflation since 1980. However, after reaching an all-time high in 2018, tuition revenue per FTE decreased 3.2% in 2019 and another 1.0% in 2020. Notably, **this is only the second time period in which there have been declines in net tuition revenue per FTE since the SHEF dataset began in 1980**. Prior to the last two years, the only times net tuition revenue per FTE declined were fiscal years 2000 and 2001, the two years immediately preceding an economic recession.

17. The funding levels and trends over time shown in the U.S. wave chart differ substantially by state. Visit the SHEF website (<https://shef.sheeo.org/>) for a fully interactive version of *Figure 2.1*.

The **total of the bars** in the wave chart shows the approximate total education revenue available to public institutions on a per-student level. Total education revenue combines the two primary funding sources for public higher education—education appropriations and net tuition. In 2020, total revenue increased 1.2% to \$15,276 per FTE, an all-time high. On average, institutions have more than made up for recessionary declines in education appropriations by increasing net tuition revenue.

FIGURE 2.1
PUBLIC FTE ENROLLMENT, EDUCATION APPROPRIATIONS PER FTE, AND NET TUITION REVENUE PER FTE, U.S, FY 1995-2020 (CONSTANT DOLLARS)



NOTES:

1. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding.
2. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees.
3. Full-time equivalent enrollment converts student credit hours to full-time, academic year students, but excludes medical students.
4. Constant 2020 dollars adjusted by the Higher Education Cost Adjustment (HECA).

SOURCE: State Higher Education Executive Officers Association

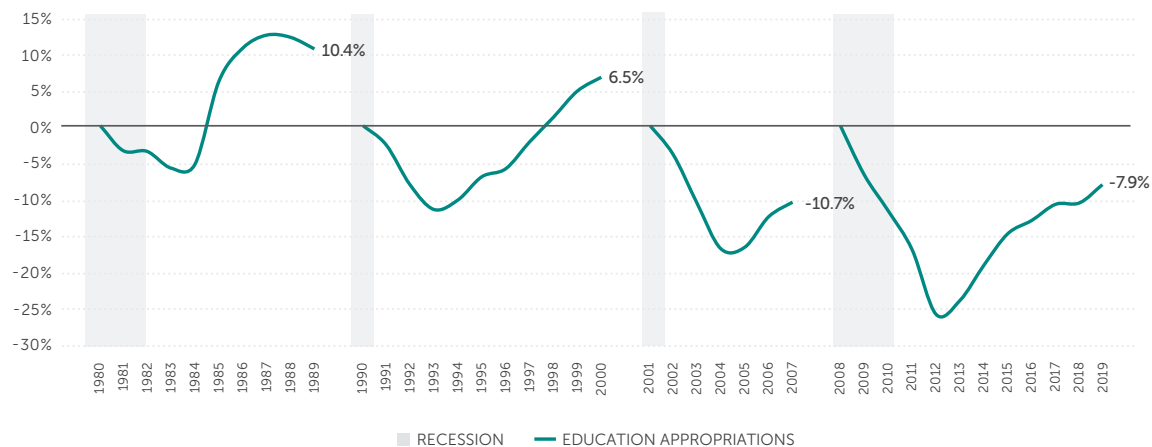
Economic recessions deeply impact state funding for higher education. Higher education is viewed as a discretionary item in state budgets and is disproportionately cut compared to other state budget areas.¹⁸ During economic recessions, state funding declines as states either cut funding to higher education or fail to keep up with inflation and enrollment changes. Over time, funding declines due to economic recessions have chipped away at the base of state support for higher education.

18. Delaney, J., & Doyle, W. (2011). State spending on higher education: Testing the balance wheel over time. *Journal of Education Finance*, 36(4). <http://www.jstor.org/stable/23018116>

Figure 2.2 provides a more detailed look into the impact of economic recessions on state higher education appropriations. In this figure, we begin each recessionary period at zero and track the cumulative percent change over the course of the economic recession and recovery.¹⁹ With each recession, state support declines per FTE have grown steeper, and recoveries have become slower and incomplete. During and immediately following recessions in the early 1980s and 1990s, per-student education appropriations declined a cumulative 6.0% and 11.7%, respectively. However, following those earlier recessions, states increased support to surpass prior levels, reaching 10.4% and 6.5% above pre-recession levels. Such increases meant that public institutions were well positioned to handle future declines in state funding.

This pattern changed after the tech bust in 2001, when state funding declined 17.1% and never completely recovered. After just a few years of increases, education appropriations per FTE were again impacted by the Great Recession. Despite federal stimulus funding, included in Figure 2.2, per-student funding declined a cumulative 25.7%, reaching an all-time low in 2012. Today, despite eight years of increases and as we enter an expected period of state funding declines following the 2020 economic recession,²⁰ education appropriations remain 14.6% below 2001 and 6.0% below 2008.

FIGURE 2.2
CUMULATIVE ANNUAL PERCENT CHANGE IN EDUCATION APPROPRIATIONS PER FTE
FOLLOWING ECONOMIC RECESSIONS, U.S., FY 1980-2019 (CONSTANT DOLLARS)



NOTES:

1. Cumulative annual percent change calculated since the start of each recession (1980, 1990, 2001, and 2008).
2. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding.
3. Full-time equivalent enrollment converts student credit hours to full-time, academic year students, but excludes medical students.
4. Constant 2020 dollars adjusted by the Higher Education Cost Adjustment (HECA).

SOURCE: State Higher Education Executive Officers Association

19. The Great Recession led to dramatic changes in the way public institutions finance higher education. The [2019 SHEF Issue Brief \(https://shef.sheeo.org/wp-content/uploads/2020/04/SHEEO_SHEF_FY19_IB_PostRecession_Trends.pdf\)](https://shef.sheeo.org/wp-content/uploads/2020/04/SHEEO_SHEF_FY19_IB_PostRecession_Trends.pdf) on post-recession trends provides an analysis of how well states have recovered from the Great Recession. We consider the depth of cuts in state funding, recovery of total education revenue and the sources of that recovery, and state financial aid changes.

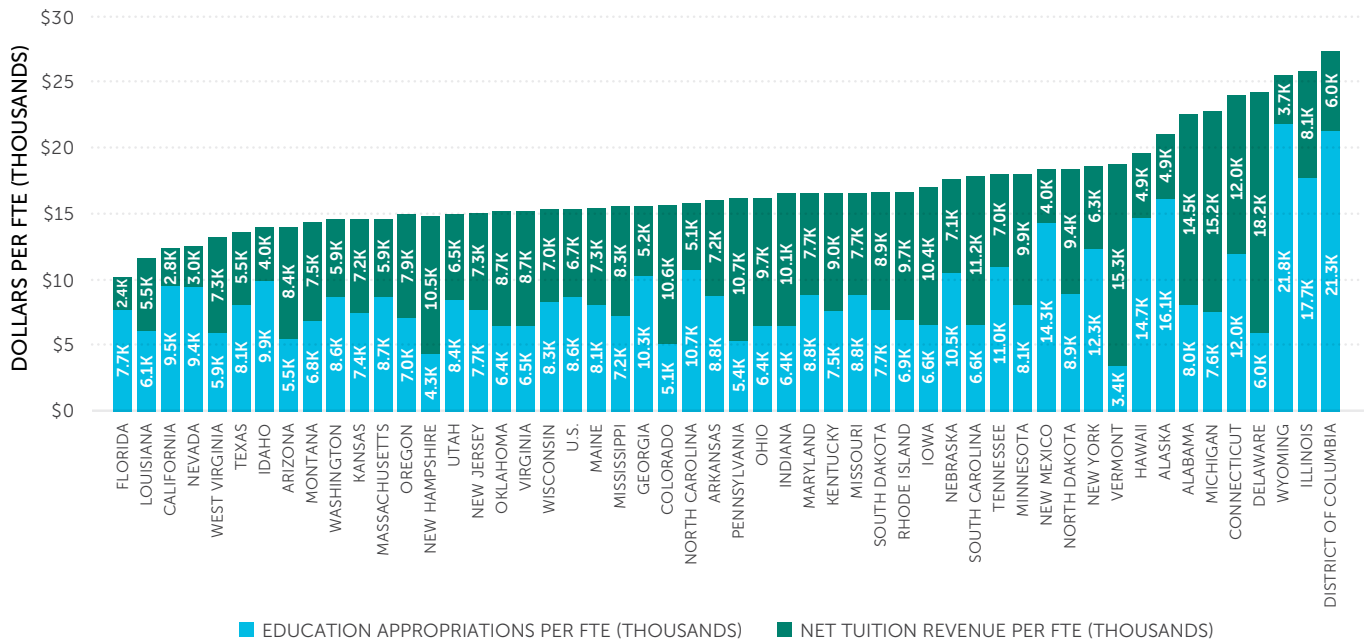
20. For more information about the expected impacts of the COVID-19 pandemic and economic recession on higher education funding, see the SHEEO analysis of early fiscal year 2021 funding: https://sheeo.org/wp-content/uploads/2021/03/SHEEO_Analysis_FiscalYear2021_State_Funding.pdf.

2. STATE COMPARISONS

Education appropriations and net tuition revenue per FTE vary considerably by state. *Figure 2.3* provides an expanded view of the *Figure 2.1* wave chart for all states in fiscal year 2020. States range widely in their total revenue (the sum of the blue and green bars) and the distribution of revenue that comprises that total. For example, Florida has the lowest total revenue per FTE, but 76.6% of total revenue comes from state funding. Louisiana has similar total revenue, and only 52.9% of funding comes from education appropriations. At the other end of the spectrum, Delaware and Wyoming have some of the highest total revenues yet they could not be more different in where they get those funds from: the state provides 24.7% of revenue in Delaware compared to 85.5% in Wyoming.

FIGURE 2.3

EDUCATION APPROPRIATIONS AND NET TUITION REVENUE PER FTE BY STATE, FY 2020 (ADJUSTED)



NOTES:

1. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding.
2. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees.
3. The U.S. calculation does not include the District of Columbia.
4. Adjustment factors to account for interstate differences include the Cost of Living Index (COLI) and Enrollment Mix Index (EMI). The COLI is not a measure of inflation over time.

SOURCE: State Higher Education Executive Officers Association

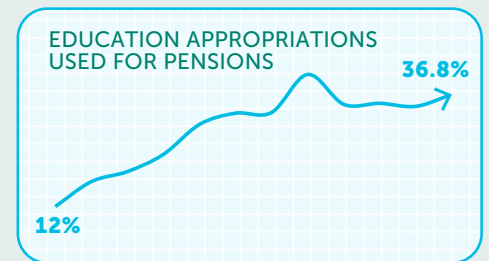
STATE SPOTLIGHT: ILLINOIS



Education appropriations per FTE in Illinois continue to be an outlier at 2.05 times the U.S. average and 35.6% above pre-recession levels. The significant increase in appropriations over the last decade is driven entirely by the state's efforts to address its historically underfunded state retirement pension system.

In 2020, 36.8% of all education appropriations in Illinois went to their state retirement pension system. Of the \$1.85 billion in pension payments, 77% was used for unfunded past liabilities, not current employees. This means that even after considering additional funding from local governments, over one quarter (28.6%) of all education appropriations in Illinois are now spent on past pension obligations and are not available for use in 2020. This translates to roughly \$4,500 per FTE student, more than the entire per-FTE appropriation in either New Hampshire or Vermont.

A [SHEF Issue Brief](#) on Illinois from the 2018 SHEF report provides more detail on the funding situation in Illinois over time.



3. SECTOR COMPARISONS



Public higher education revenue also varies across public two-year and public four-year institutions. *Figure 2.4* provides a look at all-new data showing the wave chart for two-year and four-year institutions separately.

As shown in *Figure 2.4*, education appropriations at two-year public institutions are slightly below the per-FTE levels at four-year institutions (\$8,173 and \$8,392, respectively).²¹ In large part, the narrow difference in education appropriations per FTE between two- and four-year public institutions is because SHEF data reported here include local appropriations, which primarily serve two-year institutions but do not include research-agricultural extension-medical funding (RAM), which is exclusively appropriated to four-year institutions. In addition, SHEF metrics use FTE enrollment rather than student head count, and two-year institutions have a far greater proportion of part-time students.²²

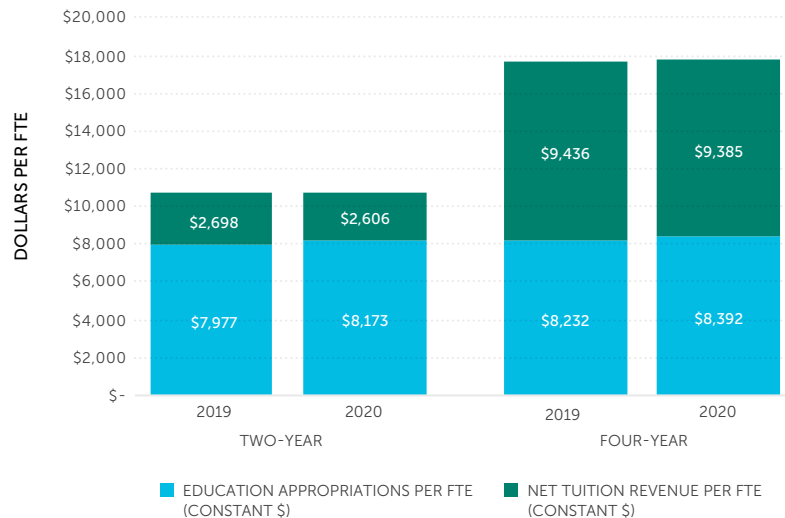
Unlike education appropriations, net tuition revenue is very different at two- and four-year institutions. On average, two-year institutions received \$2,606 in net tuition revenue per FTE, or 27.8% of the average net tuition revenue per FTE at four-year institutions (\$9,385).

21. There are two differences in education appropriations between the state and sector levels. The state-level data include agency funding and federal stimulus funds, while the sector-level data do not. In a few states, some uncategorizable state support and uncategorizable financial aid are not allocated to either sector.

22. According to the National Center for Education Statistics, in fall 2020, an estimated 37% of two-year students (at both public and private institutions) attended full-time, compared to 75% at four-year institutions. Source: Table 303.70, https://nces.ed.gov/programs/digest/d19/tables/dt19_303.70.asp.

FIGURE 2.4

PUBLIC EDUCATION APPROPRIATIONS AND NET TUITION REVENUE PER FTE BY SECTOR, U.S., FY 2020 (CONSTANT DOLLARS)



NOTES:

1. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Sector-level education appropriations do not include federal stimulus or state agency funding.
2. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees.
3. Full-time equivalent enrollment converts student credit hours to full-time, academic year students, but excludes medical students.
4. Constant 2020 dollars adjusted by the Higher Education Cost Adjustment (HECA).

SOURCE: State Higher Education Executive Officers Association

Education appropriations shown in the above figures include funding for institutions (general public operations) as well as funding for student financial aid. The next section explores the proportion of education appropriations that is allocated to student financial aid.

FINANCIAL AID PERCENT OF EDUCATION APPROPRIATIONS

States allocate financial aid to students attending both public and independent (private) institutions. A small portion of financial aid (less than 1%) is allocated to students attending out-of-state institutions. SHEF focuses specifically on state funding for public institutions, and financial aid to independent and out-of-state institutions is excluded from education appropriations.²³ This section examines state financial aid for students attending public in-state institutions.

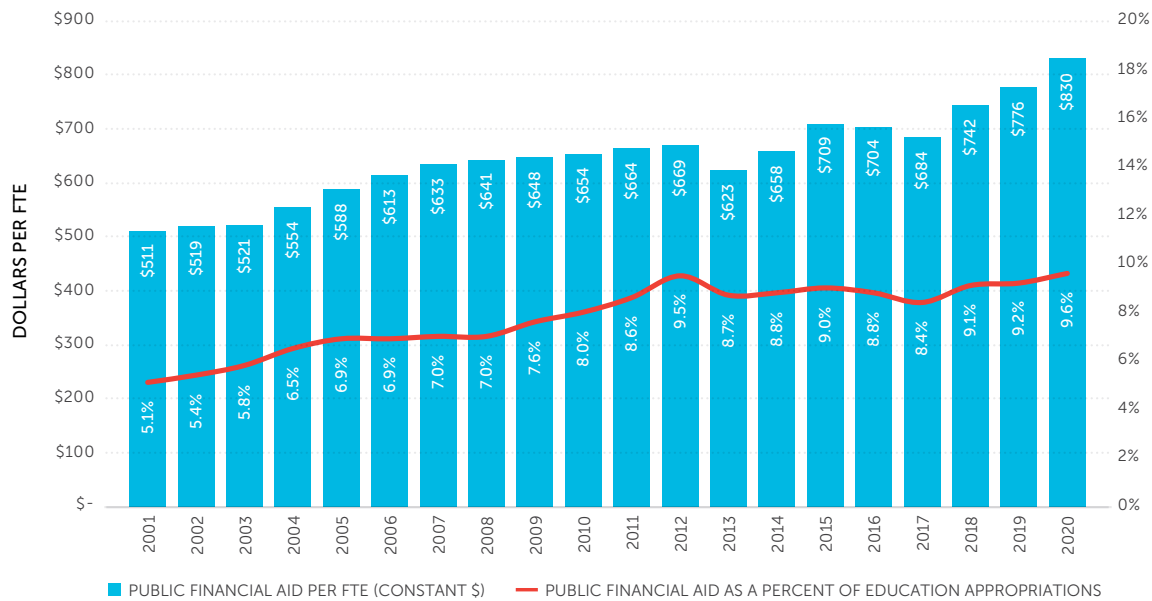
Figure 2.5 shows the change in state financial aid for students at public institutions over time. Unlike the rest of education appropriations, state public financial aid has increased consistently over time.

- On a per-FTE basis and after adjusting for inflation, state financial aid to public institutions has increased 62.6%, from \$511 in 2001 to \$830 in 2020. State aid increased 7.0% in the last year alone.

23. Trends in state-funded student financial aid for students attending public institutions differ substantially from trends in aid for students attending independent institutions. The composition of state financial aid has also changed over time. For more information, the 2019 SHEF Issue Brief (https://shef.sheeo.org/wp-content/uploads/2020/04/SHEEO_SHEF_FY19_IB_Financial_Aid.pdf) on state financial aid explores trends over time in state financial aid to public and private institutions by state.

- SHEF data show that states primarily protect financial aid during economic downturns. During the worst years of the Great Recession, from 2008 to 2012, aid per FTE increased 4.4% despite rapidly increasing enrollment while the rest of education appropriations declined. As a result, the financial aid allocation increased from 7.0% to 9.5% of all education appropriations.
- In 2020, aid to public institutions comprised 9.6% of all education appropriations, up from 5.1% in 2001 when these data were first collected.

FIGURE 2.5
PUBLIC HIGHER EDUCATION STATE FINANCIAL AID PER FTE AND AS A PERCENT OF EDUCATION APPROPRIATIONS, U.S., FY 2001-2020 (CONSTANT DOLLARS)



NOTES:

1. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, state public financial aid includes aid both for tuition costs and living expenses.
2. Financial aid data are not available prior to 2001. Over time, states have shifted from reporting appropriated student financial aid to reporting actual/awarded student financial aid. Any such updates are made to all historical data for each state.
3. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding.
4. Constant 2020 dollars adjusted by the Higher Education Cost Adjustment (HECA).

SOURCE: State Higher Education Executive Officers Association

Despite increasing state allocations to student financial aid, student contributions to higher education revenues have increased over time. In the next section, we examine the student contribution to higher education, or the student share.

STUDENT SHARE

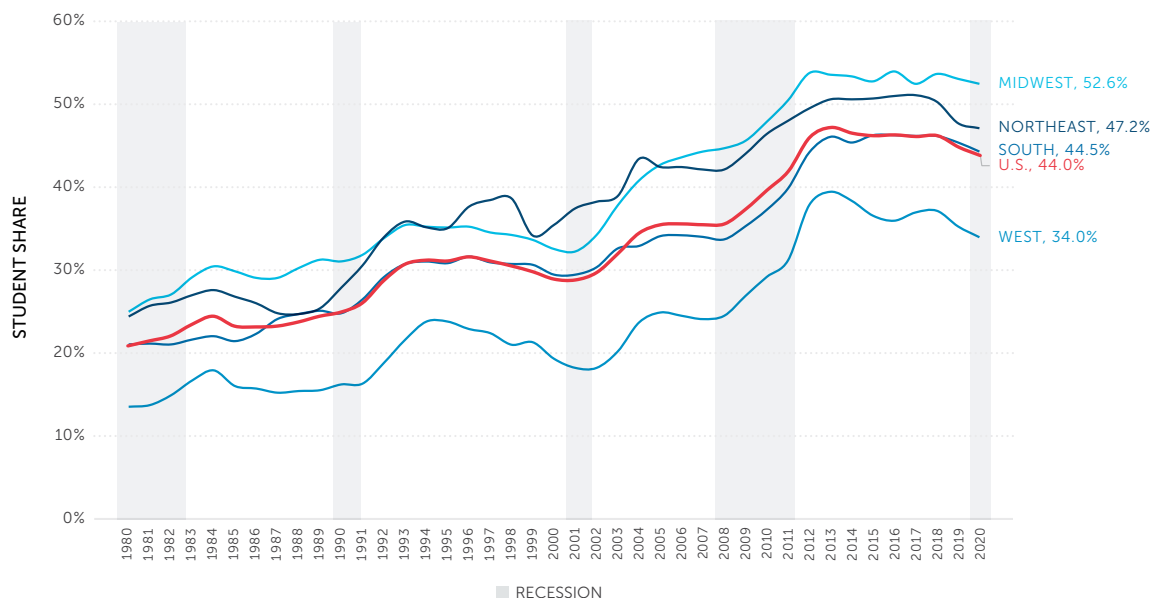
Figure 2.6 provides a comprehensive look at the growing reliance on net tuition as a revenue source—the student share. The measure of student share shows the proportion of total education revenue that comes from net tuition. Net tuition excludes state and institutional financial aid but does not exclude federal financial aid or loans.

There has been a substantial shift of responsibility for financing public higher education toward net tuition revenue (from 20.9% to 44.0%) since 1980. The student share increases most rapidly during periods of economic recession, shifting more of higher education costs to students and families. The student share grew rapidly during the Great Recession, increasing from 35.7% in 2008 to an all-time high of 47.4% in 2013.

When the economy stabilizes, the student share also stabilizes and may slightly decrease. Since the 2013 high point, the student share has declined 3.4 percentage points to 44.0% in 2020. Decreases in student share occur when growth in education appropriations outpaces growth in net tuition revenue. Given this trend, we expect that the student share may rise substantially in the coming years following the fiscal year 2020 recession.

There are regional differences in the student share, but the overall trend of sharp increases during economic recessions holds across each region. Student share is highest in the Midwest and Northeast; the South tracks closely to the U.S. average; and the West has the lowest regional student share (Figure 2.6).

FIGURE 2.6
NET TUITION AS A PERCENT OF TOTAL EDUCATION REVENUE, U.S., FY 1980-2020



NOTES:

- The student share is a measure of the proportion of total education revenue at public institutions coming from net tuition revenue. Net tuition revenue used for capital debt service is included in net tuition revenue, but excluded from total education revenue in calculating the above figures. Total education revenue includes federal stimulus funding.
- Regional averages are based on the U.S. Census designation.

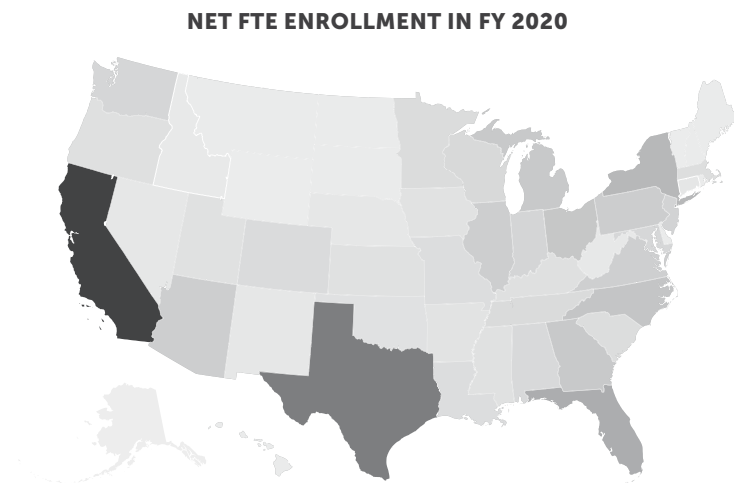
SOURCE: State Higher Education Executive Officers Association

STATE FUNDING AND ENROLLMENT

There is wide variation in higher education finance across states. This section more deeply examines trends and interstate differences for measures of enrollment and state funding (education appropriations and student financial aid). This year, for the first time, we also present sector-level breakouts for each of these metrics.

STUDENT ENROLLMENT

Full-time equivalent (FTE) enrollment converts student credit hours to full-time, academic year students, but excludes medical students. In recent years, enrollment has remained relatively stable both nationally and across states. SHEF includes enrollment for undergraduate and graduate students at public institutions.



FTE enrollment has broadly increased since the start of the SHEF dataset in 1980. In 1980, U.S. public institutions enrolled 6.85 million FTE students. Historically, enrollment has increased in each decade, reaching:

- 7.77 million in 1990;
- 8.38 million in 2000; and
- 11.38 million in 2010.

However, the last decade has reversed this trend. Enrollment increased rapidly during and immediately following the Great Recession and peaked at 11.66 million students in 2011. Since 2011, FTE enrollment has declined for nine straight years to 10.93 million in 2020—yet these declines have been relatively small (less than 1%) since 2015. In the last year, enrollment declined 0.6% or 68,610 FTE students.

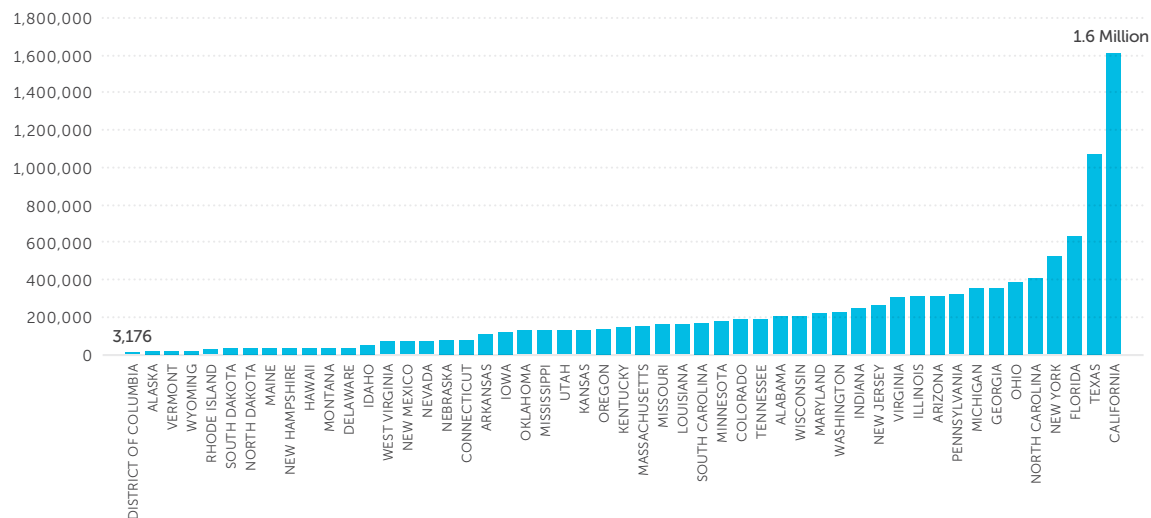
1. STATE COMPARISONS

Figure 3.1 shows net FTE enrollment for each state within 2020. The data in Table 3.1 provide additional detail on how enrollment has changed over time in each state.

- Across the states, FTE enrollment ranged from roughly 3,200 students in Washington, D.C., and 15,000 in Alaska to 1.61 million in California. Only Texas and California had more than 1 million FTE enrolled students in 2020.
- **Enrollment declined in 35 states and Washington, D.C., between 2019 and 2020.** These declines ranged from 0.02% in Colorado to 10.8% in New Mexico. Fifteen states had increases in FTE enrollment, from .02% in Florida to 7.5% in Arizona.
- Enrollment has declined in 43 states since 2010, but in only one state since the start of the SHEF dataset: FTE enrollment in Illinois has declined 8.8% since 1980.

FIGURE 3.1

PUBLIC HIGHER EDUCATION FULL-TIME EQUIVALENT (FTE) ENROLLMENT BY STATE, FY 2020



NOTES:

1. Full-time equivalent enrollment converts student credit hours to full-time, academic year students, but excludes medical students.

SOURCE: State Higher Education Executive Officers Association

TABLE 3.1
PUBLIC HIGHER EDUCATION FULL-TIME EQUIVALENT (FTE) ENROLLMENT BY STATE, FY 1980-2020

	1980	2001	2010	2015	2019	2020	% CHANGE SINCE 2019	% CHANGE SINCE 2015	% CHANGE SINCE 2010	% CHANGE SINCE 2001	% CHANGE SINCE 1980
ALABAMA	138,620	165,833	210,067	193,411	202,773	205,948	1.6%	6.5%	-2.0%	24.2%	48.6%
ALASKA	10,530	16,079	20,291	19,934	16,721	15,051	-10.0%	-24.5%	-25.8%	-6.4%	42.9%
ARIZONA	120,148	194,629	259,953	274,454	292,856	314,834	7.5%	14.7%	21.1%	61.8%	162.0%
ARKANSAS	53,130	87,337	118,884	118,408	113,367	111,155	-2.0%	-6.1%	-6.5%	27.3%	109.2%
CALIFORNIA	979,142	1,322,308	1,617,690	1,563,541	1,610,868	1,607,937	-0.2%	2.8%	-0.6%	21.6%	64.2%
COLORADO	113,281	141,492	187,231	181,867	183,744	183,702	0.0%	1.0%	-1.9%	29.8%	62.2%
CONNECTICUT	58,909	60,976	85,033	87,403	83,793	81,422	-2.8%	-6.8%	-4.2%	33.5%	38.2%
DELAWARE	20,664	28,944	33,570	36,742	36,410	35,571	-2.3%	-3.2%	6.0%	22.9%	72.1%
FLORIDA	287,388	420,957	607,246	601,198	629,851	630,884	0.2%	4.9%	3.9%	49.9%	119.5%
GEORGIA	157,155	234,998	370,732	344,325	355,223	358,669	1.0%	4.2%	-3.3%	52.6%	128.2%
HAWAII	30,465	31,810	39,857	39,444	35,254	34,736	-1.5%	-11.9%	-12.8%	9.2%	14.0%
IDAHO	26,647	39,495	49,251	54,102	54,421	55,155	1.3%	1.9%	12.0%	39.7%	107.0%
ILLINOIS	342,097	323,876	391,926	351,917	306,970	312,151	1.7%	-11.3%	-20.4%	-3.6%	-8.8%
INDIANA	142,061	193,130	265,758	252,802	246,300	245,224	-0.4%	-3.0%	-7.7%	27.0%	72.6%
IOWA	84,210	105,545	127,128	124,883	123,666	119,917	-3.0%	-4.0%	-5.7%	13.6%	42.4%
KANSAS	87,216	100,476	138,240	137,035	132,253	129,622	-2.0%	-5.4%	-6.2%	29.0%	48.6%
KENTUCKY	89,389	119,500	154,247	152,945	142,659	141,103	-1.1%	-7.7%	-8.5%	18.1%	57.9%
LOUISIANA	106,686	168,121	178,931	165,329	164,765	165,480	0.4%	0.1%	-7.5%	-1.6%	55.1%
MAINE	26,250	29,287	37,517	35,445	33,947	34,005	0.2%	-4.1%	-9.4%	16.1%	29.5%
MARYLAND	133,228	175,085	231,189	233,208	229,243	221,419	-3.4%	-5.1%	-4.2%	26.5%	66.2%
MASSACHUSETTS	122,952	128,404	165,244	170,703	160,327	156,878	-2.2%	-8.1%	-5.1%	22.2%	27.6%
MICHIGAN	318,166	333,584	434,490	390,047	366,315	357,275	-2.5%	-8.4%	-17.8%	7.1%	12.3%
MINNESOTA	149,418	167,238	215,009	198,328	184,359	180,441	-2.1%	-9.0%	-16.1%	7.9%	20.8%
MISSISSIPPI	85,292	102,490	132,105	129,478	129,499	127,142	-1.8%	-1.8%	-3.8%	24.1%	49.1%
MISSOURI	120,468	156,588	191,608	186,936	182,499	163,408	-10.5%	-12.6%	-14.7%	4.4%	35.6%
MONTANA	25,452	33,660	38,909	38,732	36,371	35,237	-3.1%	-9.0%	-9.4%	4.7%	38.4%
NEBRASKA	56,360	65,725	83,206	78,469	75,940	73,833	-2.8%	-5.9%	-11.3%	12.3%	31.0%
NEVADA	19,367	48,107	68,799	67,265	71,016	72,145	1.6%	7.3%	4.9%	50.0%	272.5%
NEW HAMPSHIRE	19,415	26,506	39,171	38,398	36,353	34,695	-4.6%	-9.6%	-11.4%	30.9%	78.7%
NEW JERSEY	171,390	178,671	268,066	270,053	262,278	261,616	-0.3%	-3.1%	-2.4%	46.4%	52.6%
NEW MEXICO	48,268	66,847	98,709	96,110	79,980	71,365	-10.8%	-25.7%	-27.7%	6.8%	47.9%
NEW YORK	418,679	449,959	572,378	566,235	537,124	524,387	-2.4%	-7.4%	-8.4%	16.5%	25.2%
NORTH CAROLINA	165,642	266,217	420,956	391,990	393,922	403,093	2.3%	2.8%	-4.2%	51.4%	143.4%
NORTH DAKOTA	26,735	31,922	37,716	36,801	33,781	32,660	-3.3%	-11.3%	-13.4%	2.3%	22.2%
OHIO	291,000	337,379	447,494	393,845	386,451	385,027	-0.4%	-2.2%	-14.0%	14.1%	32.3%
OKLAHOMA	96,476	121,111	142,024	136,311	128,845	126,370	-1.9%	-7.3%	-11.0%	4.3%	31.0%
OREGON	96,946	111,006	160,037	155,725	144,290	137,801	-4.5%	-11.5%	-13.9%	24.1%	42.1%
PENNSYLVANIA	243,296	288,334	371,286	354,891	329,486	322,144	-2.2%	-9.2%	-13.2%	11.7%	32.4%
RHODE ISLAND	23,237	25,622	32,071	31,547	30,019	30,099	0.3%	-4.6%	-6.1%	17.5%	29.5%
SOUTH CAROLINA	95,600	132,404	171,727	174,643	166,740	168,422	1.0%	-3.6%	-1.9%	27.2%	76.2%
SOUTH DAKOTA	18,623	22,064	32,324	33,938	32,816	31,962	-2.6%	-5.8%	-1.1%	44.9%	71.6%
TENNESSEE	124,022	159,838	190,286	185,316	185,912	186,845	0.5%	0.8%	-1.8%	16.9%	50.7%
TEXAS	466,900	667,534	896,832	1,010,334	1,066,707	1,071,308	0.4%	6.0%	19.5%	60.5%	129.5%
UTAH	47,061	91,953	118,446	120,352	128,102	127,833	-0.2%	6.2%	7.9%	39.0%	171.6%
VERMONT	13,656	15,914	21,795	20,616	20,458	20,562	0.5%	-0.3%	-5.7%	29.2%	50.6%
VIRGINIA	175,197	236,014	312,598	314,066	302,019	301,730	-0.1%	-3.9%	-3.5%	27.8%	72.2%
WASHINGTON	163,866	204,663	254,867	242,221	235,981	230,583	-2.3%	-4.8%	-9.5%	12.7%	40.7%
WEST VIRGINIA	53,331	62,902	78,798	72,765	66,577	65,445	-1.7%	-10.1%	-16.9%	4.0%	22.7%
WISCONSIN	174,163	196,523	237,403	219,490	209,654	206,545	-1.5%	-5.9%	-13.0%	5.1%	18.6%
WYOMING	14,048	20,198	25,587	24,042	22,194	21,653	-2.4%	-9.9%	-15.4%	7.2%	54.1%
U.S.	6,852,242	8,709,255	11,384,682	11,118,040	11,001,099	10,932,489	-0.6%	-1.7%	-4.0%	25.5%	59.5%
D.C.	N/A	N/A	N/A	3,723	3,518	3,176	-9.7%	-14.7%	N/A	N/A	N/A

NOTES:

1. Full-time equivalent enrollment converts student credit hours to full-time, academic year students, but excludes medical students.
2. The U.S. calculation does not include the District of Columbia. Data for the District of Columbia are not available prior to 2011.
3. The years 1980 and 2001 are included in this table because they are the starting points of the historical SHEF dataset and modern SHEF data collection, respectively.

SOURCE: State Higher Education Executive Officers Association

2. SECTOR COMPARISONS



Table 3.1A presents newly published data on net FTE enrollment for the public two-year and four-year sectors separately. In 2020, there were 4.28 million FTE enrolled students at two-year institutions. One state (Alaska) and Washington, D.C., have no public two-year institutions. Two-year enrollment across all other states ranges from 2,569 FTE in Vermont to 926,545 in California. Roughly one out of every five students attending a public two-year institution in the United States is attending an institution in California.

- In the last year, enrollment declined 1.9% at two-year institutions. Thirty-six states had declines, three of which were greater than 10%: Missouri, New Mexico, and Wisconsin. The largest increase in two-year enrollment was 4.8% in Ohio.

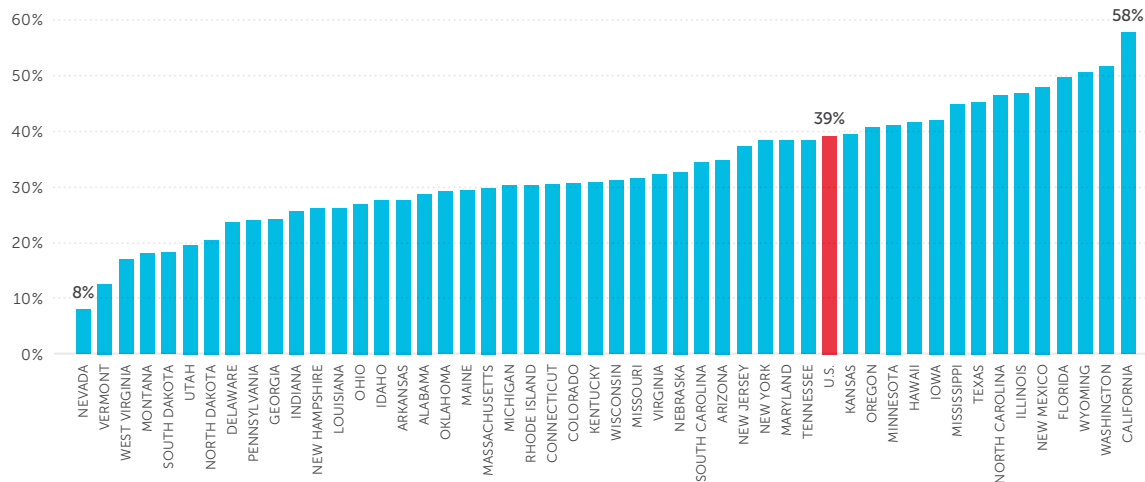
There were 6.7 million FTE enrolled students at four-year institutions in 2020, about 1.6 times the number of two-year students. Enrollment at four-year institutions ranges from 3,176 in Washington D.C., and 10,713 in Wyoming to 681,392 in California. Notably, Texas has almost as many FTE students attending four-year institutions (585,886), but only about half as many two-year students as California. California represents about one-tenth of all four-year public enrollment.

- From 2019 to 2020, FTE enrollment increased 0.2% at four-year institutions. Thirty states and Washington, D.C., had declines, and two were 10% or greater (Alaska and New Mexico). The largest increase was 12.7% in Arizona.

Figure 3.1A shows that states vary in the proportion of their enrollment attending institutions within each sector. Overall, 39.1% of FTE students attend a two-year institution in the United States. The percent of FTE at two-year institutions varies from only 8.1% in Nevada to 57.6% in California.²⁴ **Only three states (California, Washington, and Wyoming) have more FTE students enrolled in the two-year sector than in the four-year sector.**

24. The low two-year enrollment in Nevada is due to the Carnegie Basic Classification, which lists all but one Nevada community college as a four-year institution.

FIGURE 3.1A
PERCENT OF PUBLIC FULL-TIME EQUIVALENT (FTE) ENROLLMENT ATTENDING TWO-YEAR INSTITUTIONS BY STATE, FY 2020



NOTES:

1. Full-time equivalent enrollment converts student credit hours to full-time, academic year students, but excludes medical students.
2. Alaska and the District of Columbia are excluded from this figure because they do not have any public two-year institutions.
3. Sector is determined at the institution level using the Carnegie Basic Classification (<https://carnegieclassifications.iu.edu>). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.

SOURCE: State Higher Education Executive Officers Association

MEASUREMENT NOTE: SECTOR ENROLLMENT MIX

States vary in the proportion of their enrollment attending two-year and four-year public institutions. In addition, as the following sections will show, the two-year and four-year public sectors have very different revenue structures and total revenues. These varying enrollment proportions and different revenue structures make state-level more difficult to compare. The Enrollment Mix Index (EMI) adjustment used throughout the state-level metrics in this report attempts to correct for this variation in FTE enrollment. Sector-level data are not adjusted for EMI (and do not need to be). See the SHEF Website (<https://shef.sheeo.org/data-definitions>) to learn more about how the EMI adjustment is calculated.

TABLE 3.1A
PUBLIC HIGHER EDUCATION FULL-TIME EQUIVALENT (FTE) ENROLLMENT BY SECTOR AND STATE, FY 2019-2020

	TWO-YEAR FTE			FOUR-YEAR FTE		
	2019	2020	% CHANGE SINCE 2019	2019	2020	% CHANGE SINCE 2019
ALABAMA	59,288	59,288	0.0%	143,485	146,660	2.2%
ALASKA	0	0	N/A	16,721	15,051	-10.0%
ARIZONA	110,557	109,319	-1.1%	182,299	205,515	12.7%
ARKANSAS	30,944	30,830	-0.4%	82,423	80,325	-2.5%
CALIFORNIA	938,182	926,545	-1.2%	672,687	681,392	1.3%
COLORADO	56,000	56,388	0.7%	127,744	127,314	-0.3%
CONNECTICUT	26,419	24,779	-6.2%	57,374	56,643	-1.3%
DELAWARE	8,886	8,412	-5.3%	27,524	27,159	-1.3%
FLORIDA	315,763	312,291	-1.1%	314,088	318,593	1.4%
GEORGIA	86,540	86,454	-0.1%	268,683	272,215	1.3%
HAWAII	14,820	14,411	-2.8%	20,434	20,326	-0.5%
IDAHO	15,992	15,235	-4.7%	38,429	39,921	3.9%
ILLINOIS	140,713	145,819	3.6%	166,257	166,332	0.0%
INDIANA	63,913	62,784	-1.8%	182,388	182,441	0.0%
IOWA	51,518	50,275	-2.4%	72,148	69,642	-3.5%
KANSAS	52,895	51,124	-3.3%	79,358	78,498	-1.1%
KENTUCKY	43,446	43,531	0.2%	99,212	97,571	-1.7%
LOUISIANA	43,091	43,230	0.3%	121,674	122,250	0.5%
MAINE	9,773	9,972	2.0%	24,174	24,033	-0.6%
MARYLAND	89,990	84,662	-5.9%	139,253	136,757	-1.8%
MASSACHUSETTS	49,799	46,920	-5.8%	110,528	110,527	0.0%
MICHIGAN	116,340	108,318	-6.9%	249,975	248,957	-0.4%
MINNESOTA	76,219	74,260	-2.6%	108,148	106,181	-1.8%
MISSISSIPPI	58,299	56,938	-2.3%	71,200	70,204	-1.4%
MISSOURI	59,765	51,524	-13.8%	122,734	111,884	-8.8%
MONTANA	6,677	6,383	-4.4%	29,694	28,854	-2.8%
NEBRASKA	26,142	24,096	-7.8%	49,798	49,737	-0.1%
NEVADA	5,761	5,852	1.6%	65,255	66,293	1.6%
NEW HAMPSHIRE	9,853	9,059	-8.1%	26,500	25,636	-3.3%
NEW JERSEY	99,904	97,367	-2.5%	162,374	164,249	1.2%
NEW MEXICO	37,798	33,969	-10.1%	42,183	36,963	-12.4%
NEW YORK	210,891	200,472	-4.9%	326,233	323,915	-0.7%
NORTH CAROLINA	179,659	186,828	4.0%	214,263	216,265	0.9%
NORTH DAKOTA	7,028	6,701	-4.7%	26,753	25,959	-3.0%
OHIO	99,164	103,898	4.8%	287,307	281,129	-2.2%
OKLAHOMA	40,585	36,927	-9.0%	88,260	89,443	1.3%
OREGON	60,770	56,052	-7.8%	83,519	81,749	-2.1%
PENNSYLVANIA	79,979	77,365	-3.3%	251,583	246,831	-1.9%
RHODE ISLAND	9,051	9,135	0.9%	21,153	20,964	-0.9%
SOUTH CAROLINA	57,624	57,685	0.1%	109,116	110,737	1.5%
SOUTH DAKOTA	5,810	5,839	0.5%	27,006	26,123	-3.3%
TENNESSEE	70,354	71,489	1.6%	115,558	115,356	-0.2%
TEXAS	487,864	485,422	-0.5%	578,843	585,886	1.2%
UTAH	25,832	24,933	-3.5%	102,270	102,901	0.6%
VERMONT	2,652	2,569	-3.1%	17,806	17,993	1.1%
VIRGINIA	100,141	96,823	-3.3%	201,878	204,907	1.5%
WASHINGTON	123,981	118,981	-4.0%	112,000	111,602	-0.4%
WEST VIRGINIA	11,076	11,035	-0.4%	55,501	54,410	-2.0%
WISCONSIN	72,054	64,314	-10.7%	137,600	142,231	3.4%
WYOMING	11,214	10,940	-2.4%	10,980	10,713	-2.4%
U.S.	4,361,016	4,277,443	-1.9%	6,642,373	6,657,237	0.2%
D.C.	0	0	N/A	3,518	3,176	-9.7%

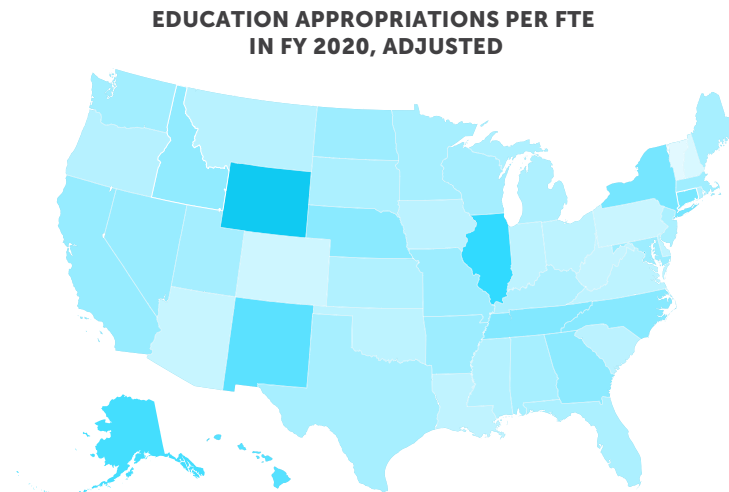
NOTES:

1. Full-time equivalent enrollment converts student credit hours to full-time, academic year students, but excludes medical students.
2. The U.S. calculation does not include the District of Columbia. There are no two-year public institutions in Alaska or the District of Columbia.
3. Sector-level data are a new component of the SHEF report and are not currently available for years prior to 2019.
4. Sector is determined at the institution level using the Carnegie Basic Classification (<https://carnegieclassifications.iu.edu>). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.

SOURCE: State Higher Education Executive Officers Association

EDUCATION APPROPRIATIONS

Education appropriations measure state and local support available for public higher education operating expenses and exclude appropriations for independent institutions, financial aid for students attending independent or out-of-state institutions, research, hospitals, and medical education. State-level education appropriations include federal stimulus funding and state higher education agency allocations; sector-level education appropriations do not. Visit the SHEF website to view the [interactive education appropriations map](#).²⁵ This map shows education appropriations per FTE across the nation.



Fiscal year 2020 marks the eighth straight year of per-FTE increases in education appropriations. Inflation-adjusted education appropriations per FTE increased 2.9% from 2019 to 2020, reaching \$8,636 (*Table 3.2*).

Historically, public higher education was primarily funded by the states. For the last four decades, funding has decreased during poor economic times and increased as the economy improved. Beginning with the tech bust in 2001, however, annual increases in education appropriations per FTE have been smaller than the declines during each recession. As a result, states entered the 2020 recessionary period at below-average funding. **Education appropriations per FTE in 2020 remain at a lower level than most years prior to the Great Recession's steep declines.**

The U.S. entered a recession in February 2020, ending ten years of economic expansion.²⁶ In past recessions, state funding declines lagged by at least one year. The starting year of each economic recession is thus considered a pre-recession high point. Therefore, the most appropriate comparisons for funding in fiscal year 2020 are the pre-recession highs from prior decades. Compared to prior pre-recession high points, inflation-adjusted education appropriations in fiscal year 2020 were:

- 2.0% below 1980 (the start of the SHEF dataset);
- 10.2% below 1990;
- 14.6% below 2001; and
- 6.0% below 2008.

25. http://shef.sheeo.org/report/?report_page=state-and-national-trends&modal=Map_3_2

26. National Bureau of Economic Research. (2020). *Determination of the February 2020 peak in U.S. economic activity*. <https://www.nber.org/news/business-cycle-dating-committee-announcement-june-8-2020>

1. STATE COMPARISONS

Education appropriations per FTE ranged from \$3,387 in Vermont to \$21,802 in Wyoming (*Figure 3.2*). **Appropriations increased in 41 states and Washington, D.C., from 2019 to 2020.** New Hampshire had the largest increase at 42.1%. There were also large one-year increases in New Mexico (17.6%), Missouri (17.0%), South Dakota (15.7%), Vermont (14.6%), Wyoming (12.9%), and Oregon (11.5%). Of the nine states with appropriations decreases in the last year, none were above 5% (*Table 3.2*). The most sizeable year-over-year declines in education appropriations were 3.1% and 3.9% in Arizona and New Jersey, respectively. Since 1980, education appropriations per FTE have decreased in 33 states.

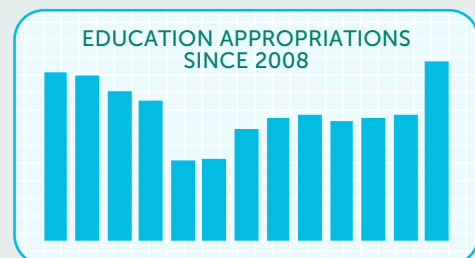
As previously discussed, higher education has entered the next recessionary period at below-average funding. Nationally, funding has not recovered from the last recession. However, **education appropriations have fully recovered to at least 2008 levels in 18 states, a large improvement from last year.**²⁷ Still, appropriations in 12 states are at least 20% below 2008 levels, signifying a lack of recovery in those states following the last recession. The largest declines from 2008 to 2020 are in Arizona (42.7%), Oklahoma (38.6%), and Louisiana (37.3%).

STATE SPOTLIGHT: NEW HAMPSHIRE

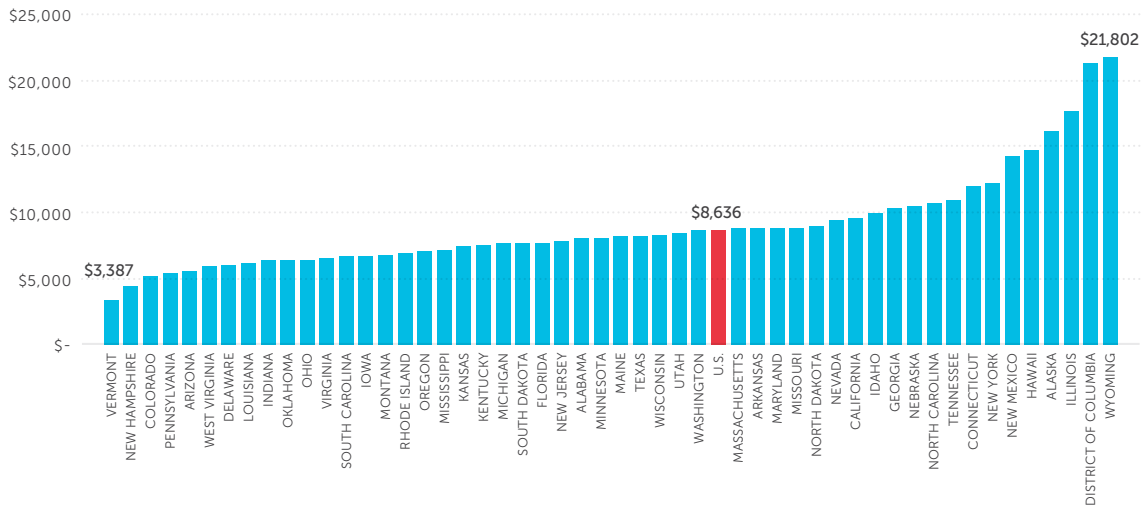


Education appropriations per FTE increased 42.1% (\$1,280 per FTE) in New Hampshire between 2019 and 2020. As a result, New Hampshire moved from 50th to 49th in education appropriations per FTE. In large part, the funding increase is due to almost \$31 million in federal stimulus funding (\$886 per FTE).

There were also increases in per-FTE general operating appropriations: 29.9% at two-year public institutions and 8.2% at four-year public institutions. The numbers are also adjusted upward due to a 4.6% decline in net FTE enrollment. Percent changes in states like New Hampshire sometimes fluctuate more dramatically due to low funding and FTE. Excluding stimulus funds, New Hampshire's additional higher education investments totaled \$14.6 million.



27. In 2019, only nine states had reached pre-recession levels in education appropriations.

FIGURE 3.2
PUBLIC HIGHER EDUCATION APPROPRIATIONS PER FTE BY STATE, FY 2020 (ADJUSTED)

NOTES:

1. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding.
2. The U.S. calculation does not include the District of Columbia.
3. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI) and Enrollment Mix Index (EMI). The COLI is not a measure of inflation over time.

SOURCE: State Higher Education Executive Officers Association

TABLE 3.2
**PUBLIC HIGHER EDUCATION APPROPRIATIONS PER FTE BY STATE, FY 1980-2020
(CONSTANT ADJUSTED DOLLARS)**

	1980	2001	2010	2015	2019	2020	% CHANGE SINCE 2019	% CHANGE SINCE 2015	% CHANGE SINCE 2010	% CHANGE SINCE 2001	% CHANGE SINCE 1980
ALABAMA	\$7,509	\$8,852	\$7,682	\$6,938	\$7,578	\$8,023	5.9%	15.6%	4.4%	-9.4%	6.8%
ALASKA	\$22,369	\$13,841	\$14,981	\$16,535	\$15,941	\$16,128	1.2%	-2.5%	7.7%	16.5%	-27.9%
ARIZONA	\$7,785	\$8,832	\$8,112	\$6,220	\$5,656	\$5,480	-3.1%	-11.9%	-32.4%	-38.0%	-29.6%
ARKANSAS	\$9,506	\$9,642	\$9,396	\$8,905	\$8,412	\$8,788	4.5%	-1.3%	-6.5%	-8.9%	-7.6%
CALIFORNIA	\$8,455	\$9,297	\$7,473	\$8,151	\$9,267	\$9,531	2.9%	16.9%	27.5%	2.5%	12.7%
COLORADO	\$5,387	\$6,495	\$4,925	\$4,034	\$4,695	\$5,140	9.5%	27.4%	4.4%	-20.9%	-4.6%
CONNECTICUT	\$7,898	\$15,517	\$13,464	\$12,074	\$11,670	\$11,965	2.5%	-0.9%	-11.1%	-22.9%	51.5%
DELAWARE	\$7,443	\$8,625	\$7,159	\$5,592	\$5,727	\$5,971	4.3%	6.8%	-16.6%	-30.8%	-19.8%
FLORIDA	\$6,616	\$10,046	\$6,915	\$6,654	\$7,608	\$7,714	1.4%	15.9%	11.6%	-23.2%	16.6%
GEORGIA	\$9,190	\$14,238	\$9,435	\$8,984	\$10,131	\$10,348	2.1%	15.2%	9.7%	-27.3%	12.6%
HAWAII	\$10,047	\$10,077	\$11,053	\$10,370	\$14,851	\$14,735	-0.8%	42.1%	33.3%	46.2%	46.7%
IDAHO	\$12,185	\$12,996	\$9,598	\$8,653	\$9,805	\$9,110	1.1%	14.5%	3.3%	-23.7%	-18.7%
ILLINOIS	\$9,459	\$14,359	\$13,689	\$16,474	\$17,099	\$17,669	3.3%	7.3%	29.1%	23.0%	86.8%
INDIANA	\$9,166	\$9,110	\$6,383	\$6,283	\$6,541	\$6,388	-2.3%	1.7%	0.1%	-29.9%	-30.3%
IOWA	\$9,830	\$10,781	\$7,350	\$6,767	\$6,248	\$6,608	5.8%	-2.4%	-10.1%	-38.7%	-32.8%
KANSAS	\$9,368	\$10,703	\$7,324	\$6,900	\$7,069	\$7,376	4.3%	6.9%	0.7%	-31.1%	-21.2%
KENTUCKY	\$10,252	\$12,474	\$9,353	\$7,833	\$7,554	\$7,535	-0.3%	-3.8%	-19.4%	-39.6%	-26.5%
LOUISIANA	\$9,115	\$8,072	\$8,770	\$6,264	\$6,070	\$6,143	1.2%	-1.9%	-30.0%	-23.9%	-32.6%
MAINE	\$6,963	\$10,302	\$7,432	\$7,327	\$7,948	\$8,102	1.9%	10.6%	9.0%	-21.4%	16.4%
MARYLAND	\$7,190	\$9,671	\$7,525	\$7,402	\$8,158	\$8,800	7.9%	18.9%	16.9%	-9.0%	22.4%
MASSACHUSETTS	\$8,070	\$10,907	\$6,977	\$7,483	\$8,287	\$8,728	5.3%	16.6%	25.1%	-20.0%	8.2%
MICHIGAN	\$9,939	\$12,206	\$7,337	\$7,030	\$7,427	\$7,630	2.7%	8.5%	4.0%	-37.5%	-23.2%
MINNESOTA	\$10,511	\$10,668	\$7,842	\$7,012	\$7,690	\$8,055	4.8%	14.9%	2.7%	-24.5%	-23.4%
MISSISSIPPI	\$9,098	\$11,097	\$9,142	\$8,128	\$6,845	\$7,166	4.7%	-11.8%	-21.6%	-35.4%	-21.2%
MISSOURI	\$10,609	\$12,724	\$8,850	\$8,129	\$7,535	\$8,819	17.0%	8.5%	-0.4%	-30.7%	-16.9%
MONTANA	\$8,147	\$6,294	\$6,154	\$6,336	\$6,277	\$6,757	7.6%	6.7%	9.8%	7.4%	-17.1%
NEBRASKA	\$8,538	\$8,514	\$9,171	\$9,751	\$9,974	\$10,485	5.1%	7.5%	14.3%	23.1%	22.8%
NEVADA	\$9,920	\$10,419	\$10,395	\$8,461	\$9,447	\$9,430	-0.2%	11.4%	-9.3%	-9.5%	-4.9%
NEW HAMPSHIRE	\$4,985	\$5,526	\$3,623	\$2,950	\$3,042	\$4,321	42.1%	46.5%	19.3%	-21.8%	-13.3%
NEW JERSEY	\$7,975	\$10,791	\$9,228	\$7,780	\$8,048	\$7,735	-3.9%	-0.6%	-16.2%	-28.3%	-3.0%
NEW MEXICO	\$10,641	\$10,816	\$9,231	\$11,005	\$12,137	\$14,268	17.6%	29.7%	54.6%	31.9%	34.1%
NEW YORK	\$11,348	\$10,735	\$10,581	\$10,780	\$12,105	\$12,252	1.2%	13.7%	15.8%	14.1%	8.0%
NORTH CAROLINA	\$10,311	\$13,359	\$10,513	\$10,325	\$11,040	\$10,742	-2.7%	4.0%	2.2%	-19.6%	4.2%
NORTH DAKOTA	\$8,555	\$7,280	\$8,063	\$9,815	\$8,425	\$8,874	5.3%	-9.6%	10.1%	21.9%	3.7%
OHIO	\$8,182	\$9,843	\$6,289	\$6,425	\$6,561	\$6,432	-2.0%	0.1%	2.3%	-34.7%	-21.4%
OKLAHOMA	\$8,702	\$10,653	\$10,172	\$8,613	\$6,210	\$6,393	2.9%	-25.8%	-37.2%	-40.0%	-26.5%
OREGON	\$7,012	\$7,604	\$4,951	\$4,886	\$6,258	\$6,977	11.5%	42.8%	40.9%	-8.2%	-0.5%
PENNSYLVANIA	\$9,636	\$9,659	\$5,949	\$4,650	\$5,080	\$5,412	6.5%	16.4%	-9.0%	-44.0%	-43.8%
RHODE ISLAND	\$10,295	\$8,934	\$5,115	\$5,197	\$6,639	\$6,878	3.6%	32.4%	34.5%	-23.0%	-33.2%
SOUTH CAROLINA	\$9,454	\$8,123	\$6,181	\$5,444	\$6,081	\$6,586	8.3%	21.0%	6.6%	-18.9%	-30.3%
SOUTH DAKOTA	\$9,110	\$8,626	\$6,623	\$6,200	\$6,660	\$7,704	15.7%	24.3%	16.3%	-10.7%	-15.4%
TENNESSEE	\$9,011	\$9,459	\$9,897	\$8,490	\$10,345	\$10,969	6.0%	29.2%	10.8%	16.0%	21.7%
TEXAS	\$8,243	\$9,592	\$9,816	\$8,079	\$8,176	\$8,147	-0.4%	0.8%	-17.0%	-15.1%	-1.2%
UTAH	\$9,747	\$8,470	\$6,940	\$7,273	\$7,771	\$8,399	8.1%	15.5%	21.0%	-0.8%	-13.8%
VERMONT	\$4,425	\$4,046	\$3,339	\$2,945	\$2,956	\$3,387	14.6%	15.0%	1.5%	-16.3%	-23.4%
VIRGINIA	\$7,411	\$9,241	\$6,085	\$5,375	\$6,072	\$6,519	7.4%	21.3%	7.1%	-29.5%	-12.0%
WASHINGTON	\$8,899	\$8,576	\$7,149	\$6,354	\$7,813	\$8,610	10.2%	35.5%	20.4%	0.4%	-3.3%
WEST VIRGINIA	\$7,654	\$7,339	\$6,074	\$5,676	\$5,397	\$5,905	9.4%	4.0%	-2.8%	-19.5%	-22.8%
WISCONSIN	\$10,227	\$11,458	\$8,821	\$8,409	\$8,227	\$8,276	0.6%	-1.6%	-6.2%	-27.8%	-19.1%
WYOMING	\$15,497	\$12,679	\$15,475	\$18,185	\$19,305	\$21,802	12.9%	19.9%	40.9%	72.0%	40.7%
U.S.	\$8,814	\$10,109	\$8,154	\$7,840	\$8,392	\$8,636	2.9%	10.1%	5.9%	-14.6%	-2.0%
D.C.	N/A	N/A	N/A	\$16,811	\$19,267	\$21,328	10.7%	26.9%	N/A	N/A	N/A

NOTES:

1. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding.
2. The U.S. calculation does not include the District of Columbia. Data for the District of Columbia are not available prior to 2011.
3. The years 1980 and 2001 are included in this table because they are the starting points of the historical SHEF dataset and modern SHEF data collection, respectively.
4. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI), Enrollment Mix Index (EMI), and Higher Education Cost Adjustment (HECA). The COLI is not a measure of inflation over time.

SOURCE: State Higher Education Executive Officers Association

2. SECTOR COMPARISONS



Table 3.2A presents newly published data on education appropriations per FTE for the public two-year and four-year sectors separately. State agency and federal stimulus funding are not included in sector-level education appropriations.

In the last year, inflation-adjusted state and local education appropriations increased 2.4% to \$8,173 per FTE at two-year institutions. Because one in five FTE students at a two-year institution are located in California, the U.S. weighted average is heavily affected by California's figures. Two-year public education appropriations per FTE ranged widely across states, from \$2,904 in Vermont to \$15,889 per FTE in Wyoming. Forty states had increases, nine of which were greater than 10%. Two states had increases above 25%: Missouri (25.0%) and New Hampshire (27.9%). The largest decline in education appropriations per FTE was 7.0% in Ohio.

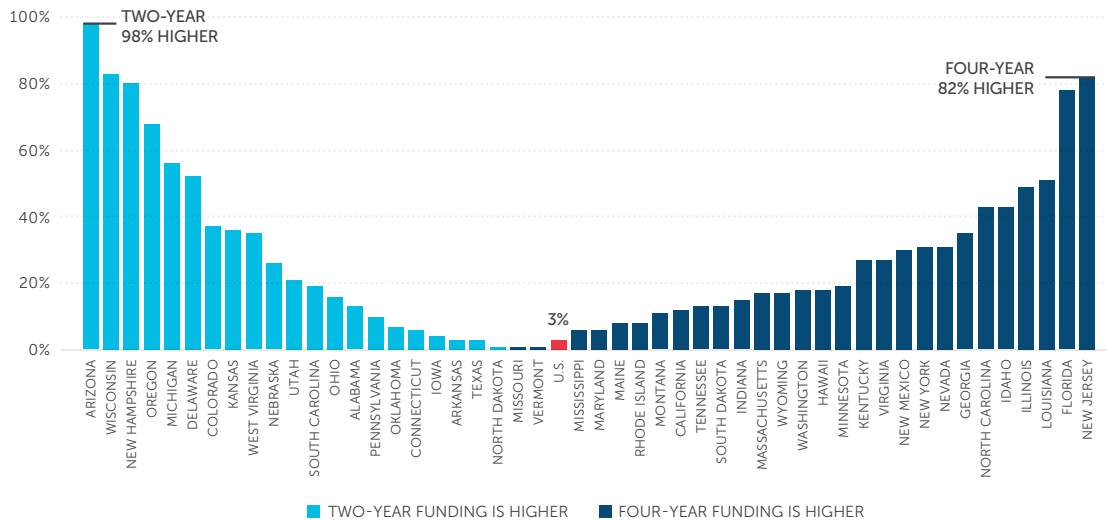
In the four-year sector, education appropriations per FTE increased 1.9% from 2019 to 2020, reaching \$8,392. At four-year public institutions, education appropriations ranged \$18,000 per FTE across states, from \$2,494 in New Hampshire to \$20,578 in **Illinois**.²⁸ There were increases in 35 states and Washington, D.C. Two increases were greater than 10%: New Mexico (20.2%) and Missouri (14.5%). The largest decline in four-year education appropriations per FTE was 11.8% in Michigan.

Figure 3.2A displays the disparity in funding between the two- and four-year public sectors within each state. States on the left side of the figure (the **light blue** bars) have relatively higher per-FTE appropriations in the two-year sector, while states on the right side of the figure (the **dark blue** bars) have higher per-FTE appropriations in the four-year sector. Arizona has the largest disparity favoring the two-year sector, although this is entirely due to local appropriations. New Jersey has the highest disparity favoring the four-year sector, with 82% greater education appropriations per FTE at four-year institutions.

These data show more even funding across sectors than many readers may expect. This is because education appropriations attempt to make higher education funding more comparable across states by including local appropriations (which primarily support two-year institutions) but excluding research, agriculture, and medical appropriations, which only support four-year institutions. To help explain the components of sector-level education appropriations, *Table 3.2B* breaks out the different sources of state and local support for two- and four-year public institutions in fiscal year 2020.

- Two-year public institutions received \$4,969 per FTE in state general operating appropriations, 67.6% of the four-year general operating appropriation (\$7,352).
- State financial aid awards averaged \$477 at two-year institutions, 46.7% of the \$1,021 awarded to students attending four-year institutions.
- Local appropriations were 144.5 times higher at two-year institutions (\$2,727) compared to four-year institutions (\$19 per FTE). There were two-year local appropriations in 29 states, compared to only seven for four-year institutions.
- RAM averaged \$1,697 at four-year institutions. These funds are excluded from education appropriations but included in total state support.
- Total state and local support at two-year institutions is \$8,173, 81% of the amount at four-year institutions (\$10,092).

28. See the [State Spotlight on Illinois](#) for additional information about this increase.

FIGURE 3.2A
PERCENT DIFFERENCE IN TWO-YEAR AND FOUR-YEAR PUBLIC HIGHER EDUCATION APPROPRIATIONS PER FTE BY STATE, FY 2020

NOTES:

1. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Sector-level education appropriations do not include federal stimulus or state agency funding.
2. Alaska and the District of Columbia are excluded from this figure because they do not have any public two-year institutions.
3. Sector is determined at the institution level using the Carnegie Basic Classification (<https://carnegieclassifications.iu.edu>). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.

SOURCE: State Higher Education Executive Officers Association

STATE SPOTLIGHT: KENTUCKY


Kentucky is one of the few states with substantial local appropriations allocated to four-year public institutions. Only three states have more than \$100 per FTE in local appropriations: Kansas (\$363), Kentucky (\$316), and New York (\$157).

Kentucky is unique in that it is the only state with local appropriations in the four-year sector but not the two-year sector. In every other state, two-year institutions receive much greater local appropriations than four-year institutions. For example, Kansas and New York have \$5,573 and \$4,928 in local appropriations for two-year institutions, respectively.

The four-year local appropriations in Kentucky come from counties across the state for the University of Kentucky's Cooperative Extension services. Local tax appropriations are sent to the university to offset base operating and personnel costs for County Extension Offices.

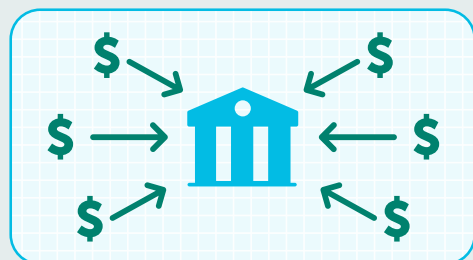


TABLE 3.2A
**PUBLIC HIGHER EDUCATION APPROPRIATIONS PER FTE BY SECTOR AND STATE,
FY 2019-2020 (CONSTANT ADJUSTED DOLLARS)**

	TWO-YEAR EDUCATION APPROPRIATIONS				FOUR-YEAR EDUCATION APPROPRIATIONS			
	2019	2020	INDEX TO U.S. AVERAGE	% CHANGE SINCE 2019	2019	2020	INDEX TO U.S. AVERAGE	% CHANGE SINCE 2019
ALABAMA	\$7,179	\$7,714	0.94	7.5%	\$6,571	\$6,752	0.80	2.8%
ALASKA	\$-	\$-	-	N/A	\$15,693	\$15,797	1.88	0.7%
ARIZONA	\$9,488	\$9,951	1.22	4.9%	\$3,637	\$3,384	0.40	-7.0%
ARKANSAS	\$8,458	\$8,475	1.04	0.2%	\$8,076	\$8,198	0.98	1.5%
CALIFORNIA	\$8,729	\$8,464	1.04	-3.0%	\$8,669	\$9,507	1.13	9.7%
COLORADO	\$6,060	\$6,652	0.81	9.8%	\$4,164	\$4,563	0.54	9.6%
CONNECTICUT	\$8,901	\$9,524	1.17	7.0%	\$9,475	\$8,971	1.07	-5.3%
DELAWARE	\$9,064	\$9,822	1.20	8.4%	\$5,612	\$5,769	0.69	2.8%
FLORIDA	\$4,837	\$4,909	0.60	1.5%	\$11,163	\$11,233	1.34	0.6%
GEORGIA	\$7,041	\$7,104	0.87	0.9%	\$9,734	\$10,067	1.20	3.4%
HAWAII	\$11,724	\$11,855	1.45	1.1%	\$14,733	\$14,139	1.68	-4.0%
IDAHO	\$5,476	\$5,862	0.72	7.0%	\$9,174	\$9,099	1.08	-0.8%
ILLINOIS	\$12,100	\$12,445	1.52	2.9%	\$19,753	\$20,578	2.45	4.2%
INDIANA	\$5,875	\$5,892	0.72	0.3%	\$7,084	\$6,859	0.82	-3.2%
IOWA	\$6,696	\$7,146	0.87	6.7%	\$6,549	\$6,879	0.82	5.0%
KANSAS	\$8,883	\$9,290	1.14	4.6%	\$6,156	\$6,436	0.77	4.5%
KENTUCKY	\$6,159	\$6,183	0.76	0.4%	\$8,086	\$8,074	0.96	-0.2%
LOUISIANA	\$3,719	\$3,779	0.46	1.6%	\$6,395	\$6,374	0.76	-0.3%
MAINE	\$7,343	\$7,244	0.89	-1.4%	\$7,587	\$7,838	0.93	3.3%
MARYLAND	\$7,676	\$8,192	1.00	6.7%	\$8,088	\$8,738	1.04	8.0%
MASSACHUSETTS	\$6,826	\$7,441	0.91	9.0%	\$8,533	\$8,793	1.05	3.0%
MICHIGAN	\$9,961	\$10,438	1.28	4.8%	\$6,626	\$5,844	0.70	-11.8%
MINNESOTA	\$6,412	\$6,743	0.83	5.2%	\$7,936	\$8,190	0.98	3.2%
MISSISSIPPI	\$6,322	\$6,624	0.81	4.8%	\$6,739	\$7,057	0.84	4.7%
MISSOURI	\$6,861	\$8,577	1.05	25.0%	\$7,535	\$8,629	1.03	14.5%
MONTANA	\$5,566	\$6,107	0.75	9.7%	\$6,313	\$6,796	0.81	7.7%
NEBRASKA	\$11,549	\$12,815	1.57	11.0%	\$9,659	\$9,880	1.18	2.3%
NEVADA	\$6,753	\$6,415	0.78	-5.0%	\$8,650	\$8,775	1.05	1.4%
NEW HAMPSHIRE	\$4,564	\$5,837	0.71	27.9%	\$2,298	\$2,494	0.30	8.5%
NEW JERSEY	\$4,045	\$4,025	0.49	-0.5%	\$10,230	\$9,668	1.15	-5.5%
NEW MEXICO	\$10,352	\$12,008	1.47	16.0%	\$13,521	\$16,255	1.94	20.2%
NEW YORK	\$8,968	\$9,456	1.16	5.4%	\$13,008	\$12,862	1.53	-1.1%
NORTH CAROLINA	\$8,206	\$7,991	0.98	-2.6%	\$12,621	\$12,325	1.47	-2.3%
NORTH DAKOTA	\$7,268	\$7,826	0.96	7.7%	\$7,492	\$7,783	0.93	3.9%
OHIO	\$7,852	\$7,305	0.89	-7.0%	\$6,230	\$6,243	0.74	0.2%
OKLAHOMA	\$5,792	\$6,570	0.80	13.4%	\$6,225	\$6,144	0.73	-1.3%
OREGON	\$8,756	\$10,048	1.23	14.8%	\$4,557	\$4,955	0.59	8.7%
PENNSYLVANIA	\$5,500	\$5,823	0.71	5.9%	\$5,051	\$5,248	0.63	3.9%
RHODE ISLAND	\$5,103	\$5,084	0.62	-0.4%	\$5,386	\$5,522	0.66	2.5%
SOUTH CAROLINA	\$6,922	\$7,426	0.91	7.3%	\$5,688	\$6,166	0.73	8.4%
SOUTH DAKOTA	\$5,027	\$5,822	0.71	15.8%	\$6,135	\$6,654	0.79	8.5%
TENNESSEE	\$9,405	\$9,380	1.15	-0.3%	\$10,048	\$10,677	1.27	6.3%
TEXAS	\$7,218	\$7,571	0.93	4.9%	\$7,914	\$7,342	0.87	-7.2%
UTAH	\$9,302	\$10,089	1.23	8.5%	\$7,576	\$8,196	0.98	8.2%
VERMONT	\$2,790	\$2,904	0.36	4.1%	\$2,962	\$2,930	0.35	-1.1%
VIRGINIA	\$4,863	\$5,203	0.64	7.0%	\$6,453	\$6,861	0.82	6.3%
WASHINGTON	\$6,695	\$7,601	0.93	13.5%	\$8,368	\$9,065	1.08	8.3%
WEST VIRGINIA	\$7,120	\$7,966	0.97	11.9%	\$5,142	\$5,613	0.67	9.2%
WISCONSIN	\$12,021	\$13,168	1.61	9.5%	\$5,600	\$5,461	0.65	-2.5%
WYOMING	\$16,527	\$15,889	1.94	-3.9%	\$18,503	\$18,931	2.26	2.3%
U.S.	\$7,977	\$8,173	1.00	2.4%	\$8,232	\$8,392	1.00	1.9%
D.C.	\$-	\$-	-	N/A	\$18,571	\$20,558	2.45	10.7%

NOTES:

- Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Sector-level education appropriations do not include federal stimulus or state agency funding.
- The U.S. calculation does not include the District of Columbia. There are no two-year public institutions in Alaska or the District of Columbia.
- Sector-level data are a new component of the SHEF report and are not currently available for years prior to 2019.
- Sector is determined at the institution level using the Carnegie Basic Classification (<https://carnegieclassifications.iu.edu>). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
- Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI) and Higher Education Cost Adjustment (HECA). The COLI is not a measure of inflation over time. The Enrollment Mix Index (EMI) is not applied to sector-level data.

SOURCE: State Higher Education Executive Officers Association

TABLE 3.2B
COMPONENTS OF PUBLIC HIGHER EDUCATION APPROPRIATIONS PER FTE BY SECTOR AND STATE, FY 2020 (ADJUSTED)

	TWO-YEAR PUBLIC INSTITUTIONS				FOUR-YEAR PUBLIC INSTITUTIONS				
	STATE OPERATING	STATE FINANCIAL AID	LOCAL	EDUC. APPROPS.	STATE OPERATING	STATE FINANCIAL AID	LOCAL	EDUC. APPROPS.	RAM
ALABAMA	\$7,649	\$37	\$29	\$7,714	\$6,693	\$58	\$-	\$6,752	\$2,796
ALASKA	\$-	\$-	\$-	\$-	\$15,053	\$697	\$47	\$15,797	\$1,605
ARIZONA	\$1,149	\$6	\$8,795	\$9,951	\$3,330	\$53	\$-	\$3,384	\$1,077
ARKANSAS	\$6,936	\$313	\$1,226	\$8,475	\$6,736	\$1,367	\$95	\$8,198	\$3,398
CALIFORNIA	\$5,426	\$324	\$2,713	\$8,464	\$8,177	\$1,330	\$-	\$9,507	\$1,171
COLORADO	\$4,016	\$1,033	\$1,603	\$6,652	\$3,661	\$902	\$-	\$4,563	\$1,225
CONNECTICUT	\$9,219	\$305	\$-	\$9,524	\$8,681	\$290	\$-	\$8,971	\$4,371
DELAWARE	\$9,720	\$103	\$-	\$9,822	\$5,253	\$516	\$-	\$5,769	\$347
FLORIDA	\$4,270	\$483	\$155	\$4,909	\$8,909	\$2,324	\$-	\$11,233	\$1,584
GEORGIA	\$6,212	\$892	\$-	\$7,104	\$7,301	\$2,766	\$-	\$10,067	\$1,632
HAWAII	\$11,698	\$157	\$-	\$11,855	\$14,036	\$103	\$-	\$14,139	\$4,053
IDAHO	\$3,354	\$242	\$2,265	\$5,862	\$8,584	\$515	\$-	\$9,099	\$1,556
ILLINOIS	\$5,927	\$371	\$6,147	\$12,445	\$19,225	\$1,353	\$-	\$20,578	\$1,192
INDIANA	\$5,233	\$659	\$-	\$5,892	\$5,485	\$1,374	\$-	\$6,859	\$1,662
IOWA	\$4,518	\$428	\$2,200	\$7,146	\$6,821	\$58	\$-	\$6,879	\$2,052
KANSAS	\$3,696	\$22	\$5,573	\$9,290	\$5,880	\$193	\$363	\$6,436	\$3,066
KENTUCKY	\$4,634	\$1,548	\$-	\$6,183	\$6,449	\$1,309	\$316	\$8,074	\$1,678
LOUISIANA	\$3,319	\$460	\$-	\$3,779	\$3,779	\$2,595	\$-	\$6,374	\$2,329
MAINE	\$6,802	\$442	\$-	\$7,244	\$7,531	\$306	\$-	\$7,838	\$1,166
MARYLAND	\$3,594	\$118	\$4,480	\$8,192	\$8,271	\$466	\$-	\$8,738	\$1,812
MASSACHUSETTS	\$7,099	\$342	\$-	\$7,441	\$8,399	\$394	\$-	\$8,793	\$426
MICHIGAN	\$4,128	\$5	\$6,304	\$10,438	\$5,827	\$17	\$-	\$5,844	\$734
MINNESOTA	\$6,218	\$525	\$-	\$6,743	\$7,254	\$936	\$-	\$8,190	\$2,028
MISSISSIPPI	\$5,229	\$157	\$1,238	\$6,624	\$6,481	\$576	\$-	\$7,057	\$4,900
MISSOURI	\$3,556	\$1,075	\$3,946	\$8,577	\$8,027	\$602	\$-	\$8,629	\$146
MONTANA	\$4,545	\$47	\$1,515	\$6,107	\$6,722	\$74	\$-	\$6,796	\$1,400
NEBRASKA	\$4,461	\$222	\$8,132	\$12,815	\$9,617	\$263	\$-	\$9,880	\$4,526
NEVADA	\$5,765	\$650	\$-	\$6,415	\$7,341	\$1,434	\$-	\$8,775	\$1,435
NEW HAMPSHIRE	\$5,530	\$307	\$-	\$5,837	\$2,482	\$11	\$-	\$2,494	\$435
NEW JERSEY	\$1,653	\$557	\$1,815	\$4,025	\$7,935	\$1,733	\$-	\$9,668	\$1,505
NEW MEXICO	\$6,489	\$249	\$5,269	\$12,008	\$16,011	\$244	\$-	\$16,255	\$3,927
NEW YORK	\$3,532	\$996	\$4,928	\$9,456	\$11,211	\$1,493	\$157	\$12,862	\$1,422
NORTH CAROLINA	\$6,213	\$98	\$1,681	\$7,991	\$11,672	\$653	\$-	\$12,325	\$2,744
NORTH DAKOTA	\$7,306	\$520	\$-	\$7,826	\$7,259	\$523	\$-	\$7,783	\$3,379
OHIO	\$5,010	\$36	\$2,259	\$7,305	\$5,843	\$400	\$-	\$6,243	\$917
OKLAHOMA	\$4,244	\$763	\$1,564	\$6,570	\$5,157	\$988	\$-	\$6,144	\$1,793
OREGON	\$5,078	\$788	\$4,182	\$10,048	\$4,512	\$443	\$-	\$4,955	\$1,312
PENNSYLVANIA	\$3,679	\$354	\$1,789	\$5,823	\$4,561	\$688	\$-	\$5,248	\$381
RHODE ISLAND	\$4,799	\$286	\$-	\$5,084	\$5,342	\$180	\$-	\$5,522	\$-
SOUTH CAROLINA	\$3,430	\$2,485	\$1,512	\$7,426	\$3,946	\$2,216	\$4	\$6,166	\$1,592
SOUTH DAKOTA	\$5,604	\$218	\$-	\$5,822	\$6,306	\$348	\$-	\$6,654	\$1,886
TENNESSEE	\$6,389	\$2,991	\$-	\$9,380	\$8,158	\$2,519	\$-	\$10,677	\$3,437
TEXAS	\$2,877	\$200	\$4,494	\$7,571	\$6,953	\$389	\$-	\$7,342	\$3,493
UTAH	\$9,996	\$93	\$-	\$10,089	\$7,921	\$276	\$-	\$8,196	\$1,444
VERMONT	\$2,164	\$740	\$-	\$2,904	\$2,563	\$367	\$-	\$2,930	\$953
VIRGINIA	\$4,397	\$683	\$123	\$5,203	\$5,770	\$1,032	\$60	\$6,861	\$1,233
WASHINGTON	\$6,718	\$883	\$-	\$7,601	\$7,117	\$1,948	\$-	\$9,065	\$874
WEST VIRGINIA	\$6,538	\$1,428	\$-	\$7,966	\$4,201	\$1,412	\$-	\$5,613	\$2,847
WISCONSIN	\$8,444	\$406	\$4,318	\$13,168	\$4,770	\$691	\$-	\$5,461	\$1,273
WYOMING	\$11,447	\$624	\$3,818	\$15,889	\$17,028	\$1,903	\$-	\$18,931	\$3,870
U.S.	\$4,969	\$477	\$2,727	\$8,173	\$7,352	\$1,021	\$19	\$8,392	\$1,697
D.C.	\$-	\$-	\$-	\$-	\$19,587	\$971	\$-	\$20,558	\$1,397

NOTES:

1. State operating appropriations are a measure of state support directly allocated to public two- and four-year institutions. State operating excludes local appropriations, agency funding, RAM, and student financial aid.
2. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, state public financial aid includes aid both for tuition costs and living expenses.
3. Local appropriations are any local government taxes allocated directly to institutions for operating expenses.
4. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education.
5. RAM refers to the total appropriations intended for the direct operations of research, agriculture, public health care services, and medical schools.
6. The U.S. calculation does not include the District of Columbia. There are no two-year public institutions in Alaska or the District of Columbia.
7. Sector-level data are a new component of the SHEF report and are not currently available for years prior to 2019.
8. Sector is determined at the institution level using the Carnegie Basic Classification (<https://carnegieclassifications.iu.edu>). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
9. Adjusted by the Cost of Living Index (COLI). The COLI is not a measure of inflation over time. The Enrollment Mix Index (EMI) is not applied to sector-level data.

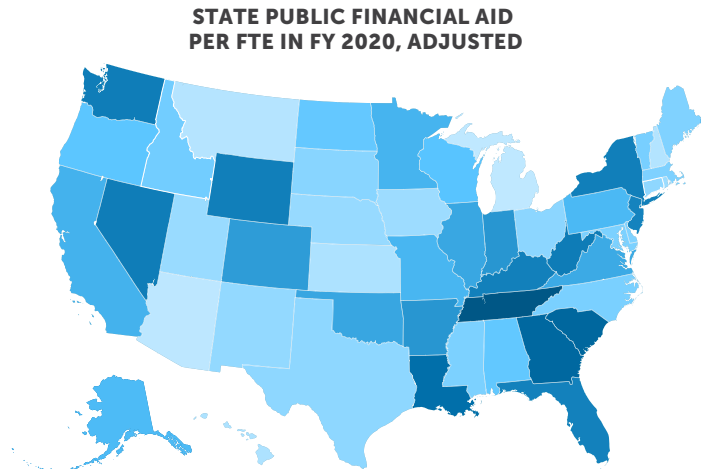
SOURCE: State Higher Education Executive Officers Association

STATE PUBLIC FINANCIAL AID

State public financial aid is the part of educational appropriations allocated to financial aid for students attending public institutions, excluding loans. While we present financial aid on a per-FTE basis along with all other metrics in the SHEF report, it is important to note that financial aid is not awarded to all students, and increases in aid per FTE could be due to rising award amounts or an increase in the number of students receiving an award.

Financial aid has increased steadily despite economic recessions that negatively impacted the rest of education appropriations. The SHEF data collection on financial aid goes back to 2001. From that year on, financial aid per FTE has increased in all but three years. Visit the SHEF website to view the [interactive financial aid map](#).²⁹ This map shows state public financial aid per FTE across the nation.

State public financial aid per FTE increased 7.0% from 2019 to 2020 and reached an all-time high of \$830 per FTE enrolled student. Nationally, state public financial aid has increased 29.6% since 2008 and 62.6% since 2001. Because financial aid per FTE has a low base, percent increases represent smaller dollar-amount increases than similar figures in the other revenue metrics. The 7.0% increase in the last year corresponded to an additional \$55 per FTE in financial aid.



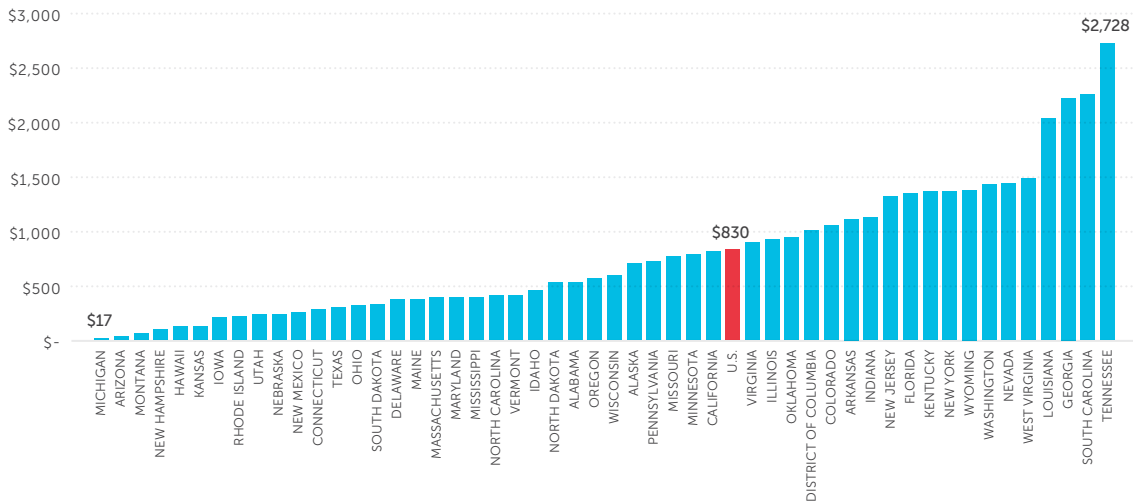
1. STATE COMPARISONS

States vary considerably in the size and extent of their financial aid programs (*Figure 3.3*). In 2020, all states and Washington, D.C., had at least one public financial aid program. Public state financial aid ranged from under \$100 per FTE in four states (Arizona, Michigan, Montana, and New Hampshire) to over \$2,000 per FTE in another four states (Georgia, Louisiana, South Carolina, and Tennessee).

Since 2001, per-student aid has increased in 38 states. Despite the longstanding increases in financial aid nationally, per-student aid has decreased in 17 states and Washington, D.C., in the last year (*Table 3.3*). The largest percent decrease was in Michigan (26.7%), but this was only a \$6 decrease per FTE. Most of Michigan's state financial aid is funded through federal dollars, excluded from SHEF.³⁰ Outside of Michigan, the largest decline in financial aid was in Alabama (12.7% or \$78 per FTE). Of the 33 states with increases from 2019 to 2020, financial aid per FTE increased more than 10% in ten states, and there were notable increases in California, Idaho, Iowa, and Montana.

29. https://shef.sheeo.org/report/?report_page=state-and-national-trends&modal=Map_3_3

30. Michigan reported \$5.2 million in state public financial aid in 2020. However, their state financial aid programs also received \$130.8 million in federal dollars from Temporary Assistance for Needy Families (TANF). Other states, like California, also use TANF for state financial aid programs; these funds are not included in SHEF education appropriations.

FIGURE 3.3
PUBLIC HIGHER EDUCATION STATE FINANCIAL AID PER FTE BY STATE, FY 2020 (ADJUSTED)

NOTES:

1. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, state public financial aid includes aid both for tuition costs and living expenses.
2. The U.S. calculation does not include the District of Columbia.
3. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI) and Enrollment Mix Index (EMI). The COLI is not a measure of inflation over time.

SOURCE: State Higher Education Executive Officers Association

MEASUREMENT NOTE: FINANCIAL AID DATA REPORTING

For this year's SHEF report, we asked states to provide state financial aid by sector. For many statewide programs, there is not a separate financial aid appropriation for two-year and four-year public institutions, and actual allocations must be reported to obtain accurate sector-level data. As a result, many states switched from reporting financial aid appropriations to reporting actual allocations by sector. A handful of states, including those with multiple sector-level data providers, have always provided financial aid allocations. For most states, this reporting change is noteworthy because financial aid awards depend on the number of students who qualify and apply for each aid program, and appropriations rarely match allocations. In all cases, prior year data were corrected to match the new reporting methodology, or unallocated funds were listed as "uncategorizable public aid" to ensure continuity in state support definitions over time. Nevertheless, this reporting change marks a departure from the historical practice of SHEF reporting state appropriations for financial aid.



TABLE 3.3
**PUBLIC HIGHER EDUCATION STATE FINANCIAL AID PER FTE BY STATE, FY 2001-2020
(CONSTANT ADJUSTED DOLLARS)**

	2001	2010	2015	2019	2020	% CHANGE SINCE 2019	% CHANGE SINCE 2015	% CHANGE SINCE 2010	% CHANGE SINCE 2001
ALABAMA	\$160	\$254	\$401	\$612	\$534	-12.7%	33.4%	110.1%	234.3%
ALASKA	\$-	\$39	\$673	\$718	\$708	-1.5%	5.2%	1715.0%	N/A
ARIZONA	\$29	\$54	\$46	\$40	\$36	-8.6%	-21.4%	-32.3%	26.2%
ARKANSAS	\$645	\$727	\$1,354	\$1,056	\$1,112	5.2%	-17.9%	53.0%	72.3%
CALIFORNIA	\$361	\$556	\$840	\$660	\$813	23.1%	-3.2%	46.1%	125.2%
COLORADO	\$673	\$587	\$820	\$956	\$1,048	9.6%	27.9%	78.6%	55.7%
CONNECTICUT	\$476	\$431	\$292	\$284	\$290	2.1%	-0.8%	-32.7%	-39.0%
DELAWARE	\$441	\$433	\$366	\$376	\$380	1.0%	3.6%	-12.3%	-14.0%
FLORIDA	\$815	\$1,027	\$677	\$1,248	\$1,343	7.6%	98.2%	30.7%	64.7%
GEORGIA	\$1,795	\$2,147	\$1,879	\$2,125	\$2,225	4.7%	18.4%	3.6%	24.0%
HAWAII	\$11	\$77	\$77	\$122	\$121	-0.3%	57.7%	58.4%	1028.2%
IDAHO	\$100	\$147	\$134	\$324	\$449	38.6%	235.6%	205.9%	350.4%
ILLINOIS	\$1,062	\$716	\$675	\$846	\$926	9.5%	37.3%	29.4%	-12.8%
INDIANA	\$580	\$809	\$1,057	\$1,165	\$1,120	-3.8%	6.0%	38.4%	93.0%
IOWA	\$51	\$89	\$119	\$88	\$211	139.7%	76.6%	136.2%	315.3%
KANSAS	\$113	\$114	\$109	\$121	\$122	0.5%	11.3%	6.4%	7.4%
KENTUCKY	\$308	\$1,163	\$1,184	\$1,317	\$1,359	3.2%	14.8%	16.8%	341.8%
LOUISIANA	\$829	\$1,089	\$1,865	\$2,048	\$2,028	-1.0%	8.7%	86.1%	144.6%
MAINE	\$429	\$290	\$261	\$367	\$382	4.3%	46.2%	31.6%	-10.8%
MARYLAND	\$360	\$356	\$329	\$351	\$392	11.7%	19.1%	10.0%	8.9%
MASSACHUSETTS	\$595	\$309	\$332	\$377	\$386	2.6%	16.6%	25.0%	-35.1%
MICHIGAN	\$701	\$123	\$17	\$23	\$17	-26.7%	-0.6%	-86.4%	-97.6%
MINNESOTA	\$709	\$669	\$695	\$779	\$777	-0.2%	11.9%	16.2%	9.6%
MISSISSIPPI	\$558	\$258	\$375	\$367	\$398	8.5%	5.9%	54.1%	-28.8%
MISSOURI	\$296	\$398	\$635	\$678	\$762	12.4%	20.0%	91.6%	157.7%
MONTANA	\$146	\$194	\$199	\$45	\$70	55.5%	-64.6%	-63.7%	-51.8%
NEBRASKA	\$52	\$133	\$182	\$222	\$241	8.5%	32.5%	81.8%	367.3%
NEVADA	\$1,023	\$1,150	\$1,269	\$1,491	\$1,442	-3.3%	13.6%	25.4%	41.0%
NEW HAMPSHIRE	\$39	\$76	\$-	\$90	\$92	2.1%	N/A	20.5%	133.5%
NEW JERSEY	\$884	\$1,007	\$1,004	\$1,250	\$1,323	5.9%	31.8%	31.4%	49.7%
NEW MEXICO	\$1,078	\$342	\$290	\$274	\$256	-6.7%	-11.9%	-25.2%	-76.3%
NEW YORK	\$1,031	\$1,174	\$1,281	\$1,442	\$1,366	-5.3%	6.7%	16.3%	32.5%
NORTH CAROLINA	\$301	\$490	\$462	\$422	\$405	-4.0%	-12.3%	-17.3%	34.6%
NORTH DAKOTA	\$50	\$270	\$410	\$470	\$532	13.3%	29.8%	96.7%	963.7%
OHIO	\$307	\$197	\$229	\$277	\$309	11.3%	34.7%	56.5%	0.6%
OKLAHOMA	\$357	\$902	\$927	\$943	\$936	-0.8%	0.9%	3.7%	161.7%
OREGON	\$189	\$513	\$325	\$530	\$569	7.4%	75.2%	10.9%	201.8%
PENNSYLVANIA	\$833	\$696	\$673	\$631	\$725	14.9%	7.7%	4.2%	-13.0%
RHODE ISLAND	\$167	\$282	\$140	\$240	\$221	-8.0%	57.8%	-21.5%	32.5%
SOUTH CAROLINA	\$499	\$1,773	\$1,613	\$2,153	\$2,258	4.8%	40.0%	27.3%	352.7%
SOUTH DAKOTA	\$7	\$133	\$184	\$315	\$332	5.2%	80.0%	150.1%	4690.3%
TENNESSEE	\$294	\$1,963	\$1,909	\$2,656	\$2,728	2.7%	42.9%	39.0%	829.4%
TEXAS	\$20	\$392	\$321	\$287	\$301	5.0%	-6.2%	-23.1%	1406.0%
UTAH	\$86	\$125	\$147	\$218	\$234	7.2%	59.5%	86.4%	171.6%
VERMONT	\$474	\$449	\$417	\$440	\$416	-5.4%	-0.2%	-7.4%	-12.1%
VIRGINIA	\$488	\$560	\$618	\$813	\$891	9.5%	44.2%	59.2%	82.4%
WASHINGTON	\$684	\$934	\$1,295	\$1,242	\$1,430	15.2%	10.5%	53.1%	109.2%
WEST VIRGINIA	\$394	\$1,173	\$1,252	\$1,445	\$1,494	3.4%	19.3%	27.3%	279.0%
WISCONSIN	\$410	\$423	\$621	\$601	\$591	-1.7%	-4.8%	39.7%	44.1%
WYOMING	\$1,004	\$1,346	\$1,340	\$1,426	\$1,373	-3.7%	2.5%	2.0%	36.8%
U.S.	\$511	\$654	\$709	\$776	\$830	7.0%	17.1%	26.9%	62.6%
D.C.	N/A	N/A	\$1,170	\$1,202	\$1,007	-16.2%	-13.9%	N/A	N/A

NOTES:

1. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, state public financial aid includes aid both for tuition costs and living expenses.
2. Financial aid data are not available prior to 2001. Over time, states have shifted from reporting appropriated student financial aid to reporting actual/awarded student financial aid (see measurement note). Any such updates are made to all historical data for each state.
3. The U.S. calculation does not include the District of Columbia. Data for the District of Columbia are not available prior to 2011.
4. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI), Enrollment Mix Index (EMI), and Higher Education Cost Adjustment (HECA). The COLI is not a measure of inflation over time.

SOURCE: State Higher Education Executive Officers Association

2. SECTOR COMPARISONS



Table 3.3A presents new data on state financial aid allocated to FTE students attending the public two-year and four-year sectors, separately. In some cases, states were not able to identify the sector for some of their financial aid dollars. In those cases, the funds were listed as “uncategorizable” and are excluded from this section.³¹

At two-year institutions, state public financial aid increased 9.5% from 2019 to 2020, reaching \$477 per FTE. Aid ranged from \$5 in Michigan to \$2,991 in Tennessee. Overall, in 2020, eight states awarded less than \$100 in financial aid per FTE at two-year institutions; six awarded more than \$1,000 per FTE.

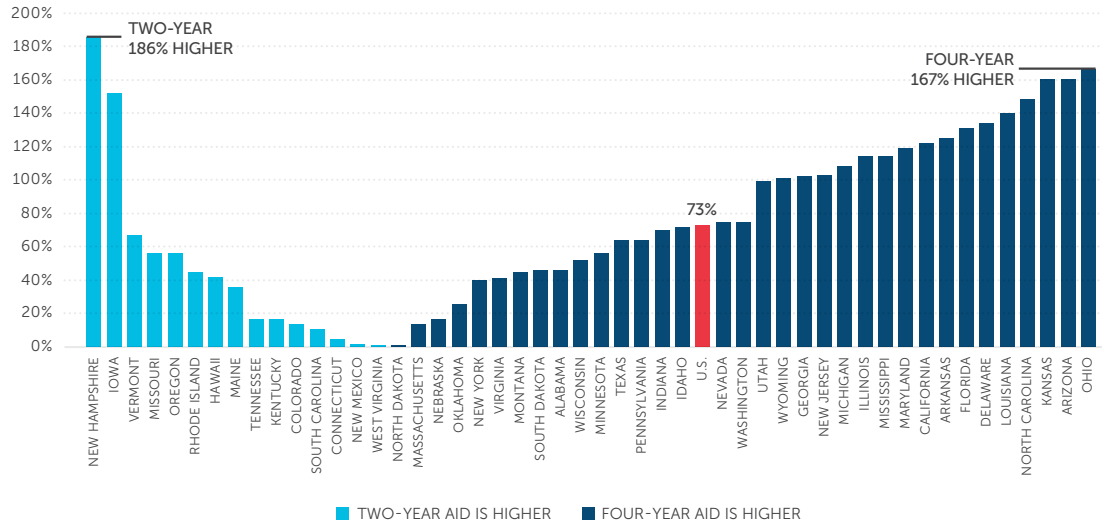
- Over the last year, aid to two-year institutions increased in 35 states. The largest increase was 252.2% in Iowa (\$307 per FTE) due to a newly established financial aid program (Future Ready Iowa). There were declines in 14 states and Washington, D.C. The largest decline was 17.9% in Wisconsin (\$88 per FTE).

State public financial aid at four-year institutions increased 6.0% in the last year, reaching \$1,021 nationally. Although four-year institutions saw a smaller percentage increase, they received a larger per-FTE increase (\$57) than two-year institutions (\$41). Aid ranged from \$11 per FTE in New Hampshire to \$2,766 in Georgia. Six states awarded less than \$100 per FTE in financial aid to students attending four-year institutions, while 17 states awarded more than \$1,000 per FTE.

- From 2019 to 2020, four-year aid allocations increased in 32 states. The largest increases were in states with relatively small financial aid programs (Montana and New Hampshire). Eighteen states and Washington, D.C., had decreases in per-FTE financial aid this year. While Michigan had the largest percent decrease (23.1%, representing \$5 per FTE), Washington D.C., had the largest real decline (16.2% or \$188 per FTE).

Figure 3.3A displays the disparity in state financial aid between the two- and four-year public sectors within each state. States on the left side of the figure (the **light blue** bars) have higher per-FTE financial aid in the two-year sector, while states on the right side of the figure (the **dark blue** bars) have relatively higher per-FTE financial aid in the four-year sector. Note that while most states have greater financial aid in the four-year sector (73% higher, on average), the four-year sector also has much higher tuition rates. New Hampshire is the state with the largest disparity favoring its two-year sector, while Ohio has the largest disparity favoring its four-year sector.

31. Overall, 3% of state public financial aid was uncategorizable. Thirty-two states were able to classify all state public financial aid by sector and listed no uncategorizable aid. In six states, more than 5% of aid could not be classified by sector: West Virginia (12.2%), Maryland (13.4%), Colorado (13.7%), Pennsylvania, (19.7%), Michigan (20.9%), and Alabama (90.0%).

FIGURE 3.3A
PERCENT DIFFERENCE IN TWO-YEAR AND FOUR-YEAR PUBLIC HIGHER EDUCATION STATE FINANCIAL AID PER FTE BY STATE, FY 2020

NOTES:

1. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, state public financial aid includes aid both for tuition costs and living expenses. Differences in aid amounts across sector capture variation in the proportion of students receiving an award as well as differences in average award size.
2. Alaska and the District of Columbia are excluded from this figure because they do not have any public two-year institutions.
3. Alabama is not able to determine the sector for 90% of its state public financial aid at this time. Funds listed here include financial aid distributed through the Alabama Commission on Higher Education only and do not reflect all state financial aid.
4. Sector is determined at the institution level using the Carnegie Basic Classification (<https://carnegieclassifications.iu.edu>). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.

SOURCE: State Higher Education Executive Officers Association

TABLE 3.3A
**PUBLIC HIGHER EDUCATION STATE FINANCIAL AID PER FTE BY SECTOR AND STATE,
FY 2019-2020 (CONSTANT ADJUSTED DOLLARS)**

	TWO-YEAR FINANCIAL AID				FOUR-YEAR FINANCIAL AID			
	2019	2020	INDEX TO U.S. AVERAGE	% CHANGE SINCE 2019	2019	2020	INDEX TO U.S. AVERAGE	% CHANGE SINCE 2019
ALABAMA	\$29	\$37	0.08	26.8%	\$47	\$58	0.06	25.5%
ALASKA	\$-	\$-	-	N/A	\$707	\$697	0.68	-1.5%
ARIZONA	\$6	\$6	0.01	-0.7%	\$61	\$53	0.05	-12.9%
ARKANSAS	\$289	\$313	0.66	8.2%	\$1,340	\$1,367	1.34	2.1%
CALIFORNIA	\$241	\$324	0.68	34.6%	\$1,135	\$1,330	1.30	17.2%
COLORADO	\$922	\$1,033	2.16	12.0%	\$814	\$902	0.88	10.8%
CONNECTICUT	\$315	\$305	0.64	-2.9%	\$277	\$290	0.28	4.8%
DELAWARE	\$99	\$103	0.22	3.8%	\$518	\$516	0.51	-0.4%
FLORIDA	\$477	\$483	1.01	1.4%	\$2,154	\$2,324	2.28	7.9%
GEORGIA	\$823	\$892	1.87	8.4%	\$2,656	\$2,766	2.71	4.1%
HAWAII	\$156	\$157	0.33	0.8%	\$104	\$103	0.10	-1.0%
IDAHO	\$146	\$242	0.51	66.0%	\$389	\$515	0.50	32.6%
ILLINOIS	\$328	\$371	0.78	13.3%	\$1,230	\$1,353	1.32	9.9%
INDIANA	\$655	\$659	1.38	0.7%	\$1,443	\$1,374	1.35	-4.8%
IOWA	\$121	\$428	0.90	252.2%	\$56	\$58	0.06	3.3%
KANSAS	\$21	\$22	0.05	1.9%	\$194	\$193	0.19	-0.4%
KENTUCKY	\$1,432	\$1,548	3.24	8.1%	\$1,300	\$1,309	1.28	0.7%
LOUISIANA	\$440	\$460	0.96	4.6%	\$2,630	\$2,595	2.54	-1.3%
MAINE	\$430	\$442	0.93	2.7%	\$291	\$306	0.30	5.4%
MARYLAND	\$77	\$118	0.25	52.6%	\$421	\$466	0.46	10.8%
MASSACHUSETTS	\$386	\$342	0.72	-11.4%	\$363	\$394	0.39	8.5%
MICHIGAN	\$6	\$5	0.01	-17.6%	\$23	\$17	0.02	-23.1%
MINNESOTA	\$520	\$525	1.10	0.8%	\$943	\$936	0.92	-0.7%
MISSISSIPPI	\$132	\$157	0.33	19.0%	\$543	\$576	0.56	6.0%
MISSOURI	\$867	\$1,075	2.25	24.0%	\$572	\$602	0.59	5.3%
MONTANA	\$24	\$47	0.10	93.6%	\$50	\$74	0.07	48.9%
NEBRASKA	\$211	\$222	0.47	5.1%	\$240	\$263	0.26	9.6%
NEVADA	\$672	\$650	1.36	-3.3%	\$1,483	\$1,434	1.40	-3.3%
NEW HAMPSHIRE	\$309	\$307	0.64	-0.6%	\$4	\$11	0.01	175.5%
NEW JERSEY	\$514	\$557	1.17	8.4%	\$1,660	\$1,733	1.70	4.4%
NEW MEXICO	\$269	\$249	0.52	-7.4%	\$257	\$244	0.24	-5.0%
NEW YORK	\$1,101	\$996	2.09	-9.5%	\$1,553	\$1,493	1.46	-3.8%
NORTH CAROLINA	\$104	\$98	0.21	-5.5%	\$671	\$653	0.64	-2.7%
NORTH DAKOTA	\$433	\$520	1.09	19.9%	\$469	\$523	0.51	11.7%
OHIO	\$36	\$36	0.08	2.7%	\$335	\$400	0.39	19.5%
OKLAHOMA	\$648	\$763	1.60	17.7%	\$1,058	\$988	0.97	-6.7%
OREGON	\$697	\$788	1.65	13.1%	\$431	\$443	0.43	2.8%
PENNSYLVANIA	\$332	\$354	0.74	6.6%	\$602	\$688	0.67	14.3%
RHODE ISLAND	\$313	\$286	0.60	-8.6%	\$193	\$180	0.18	-6.9%
SOUTH CAROLINA	\$2,240	\$2,485	5.21	10.9%	\$2,187	\$2,216	2.17	1.3%
SOUTH DAKOTA	\$189	\$218	0.46	15.2%	\$334	\$348	0.34	4.2%
TENNESSEE	\$3,052	\$2,991	6.27	-2.0%	\$2,370	\$2,519	2.47	6.3%
TEXAS	\$188	\$200	0.42	6.6%	\$374	\$389	0.38	4.0%
UTAH	\$80	\$93	0.20	17.0%	\$260	\$276	0.27	5.8%
VERMONT	\$845	\$740	1.55	-12.4%	\$377	\$367	0.36	-2.6%
VIRGINIA	\$580	\$683	1.43	17.7%	\$966	\$1,032	1.01	6.8%
WASHINGTON	\$761	\$883	1.85	16.1%	\$1,717	\$1,948	1.91	13.5%
WEST VIRGINIA	\$1,088	\$1,428	2.99	31.3%	\$1,426	\$1,412	1.38	-1.0%
WISCONSIN	\$494	\$406	0.85	-17.9%	\$674	\$691	0.68	2.4%
WYOMING	\$625	\$624	1.31	-0.2%	\$2,000	\$1,903	1.86	-4.8%
U.S.	\$436	\$477	1.00	9.5%	\$964	\$1,021	1.00	6.0%
D.C.	\$-	\$-	-	N/A	\$1,159	\$971	0.95	-16.2%

NOTES:

1. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, state public financial aid includes aid both for tuition costs and living expenses.
2. The U.S. calculation does not include the District of Columbia. There are no two-year public institutions in Alaska or the District of Columbia.
3. Alabama is not able to determine the sector for 90% of its state public financial aid at this time. Funds listed here include financial aid distributed through the Alabama Commission on Higher Education only and do not reflect all state financial aid.
4. Sector-level data are a new component of the SHEF report and are not currently available for years prior to 2019.
5. Sector is determined at the institution level using the Carnegie Basic Classification (<https://carnegieclassifications.iu.edu>). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
6. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI) and Higher Education Cost Adjustment (HECA). The COLI is not a measure of inflation over time. The Enrollment Mix Index (EMI) is not applied to sector-level data.

SOURCE: State Higher Education Executive Officers Association

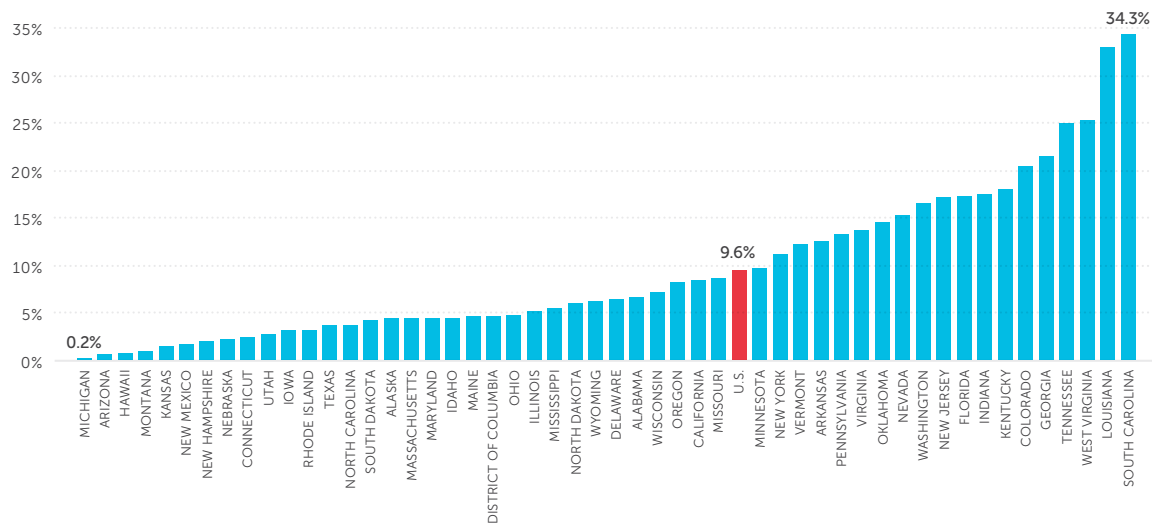
FINANCIAL AID PERCENT OF EDUCATION APPROPRIATIONS

Financial aid is one component of education appropriations, and its share of education appropriations has increased over time. This section provides data on state public financial aid as a percent of education appropriations (the financial aid allocation) by state and sector.

1. STATE COMPARISONS

States vary considerably in how much of their total funding is allocated to student financial aid. On the low end, Michigan has a very small aid program that comprises only 0.2% of its total education appropriations. On the high end, in two Southern states (Louisiana and South Carolina), the financial aid allocation is more than 30% of their total funding for public higher education (*Figure 3.4*).

FIGURE 3.4
PUBLIC HIGHER EDUCATION STATE FINANCIAL AID AS A PERCENT OF EDUCATION APPROPRIATIONS BY STATE, FY 2020



NOTES:

1. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, state public financial aid includes aid both for tuition costs and living expenses.
2. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding.

SOURCE: State Higher Education Executive Officers Association

2. SECTOR COMPARISONS



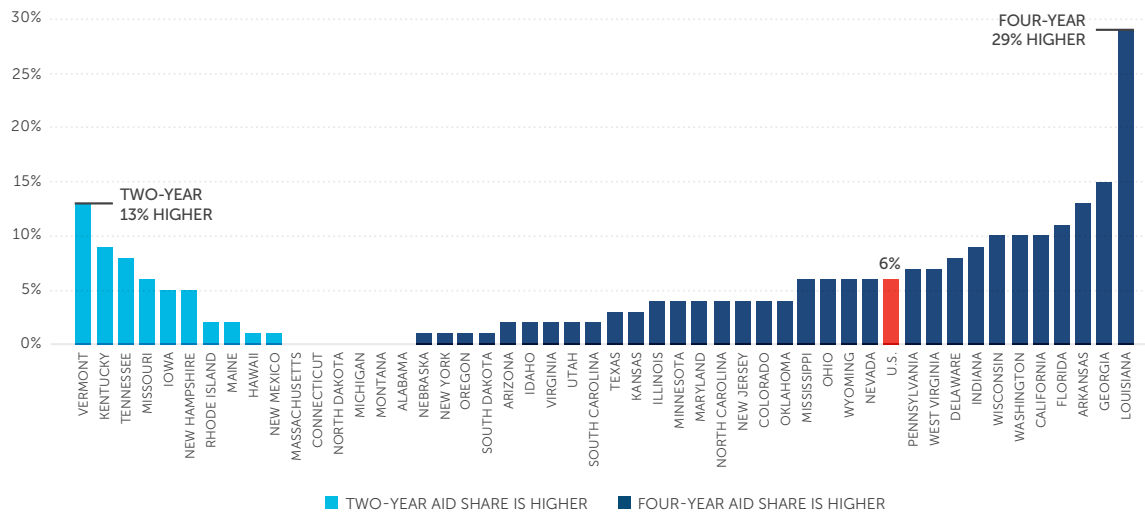
The percent of education appropriations allocated to financial aid differs for two- and four-year institutions. In fiscal year 2020, 5.8% of funding at two-year institutions went to financial aid, compared to 12.2% at four-year institutions.³²

- The financial aid allocation at two-year institutions ranges from 0.1% in Arizona and Michigan to 33.5% in South Carolina. Seven states have a two-year financial aid allocation of less than 1%.
- At four-year institutions, Michigan has the lowest financial aid allocation (0.3%), and Louisiana has the highest (40.7%). Five states have a four-year financial aid allocation of less than 1%.

Figure 3.4A shows the difference in the financial aid allocation between two- and four-year institutions. In states on the figure's left side (the **light blue** bars), the financial aid allocation is highest in the two-year sector. Most states are on the right side of Figure 3.4A (the **dark blue** bars). In the majority of states, the mix of funding for four-year institutions leans more toward student aid than at two-year institutions. Still, no sector or state allocates more than 40% of education appropriations to financial aid. States in the middle of the figure with no discernible bar have the same financial aid allocation across sectors.

FIGURE 3.4A

DIFFERENCE IN TWO-YEAR AND FOUR-YEAR STATE FINANCIAL AID AS A PERCENT OF EDUCATION APPROPRIATIONS BY STATE, FY 2020



NOTES:

1. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, state public financial aid includes aid both for tuition costs and living expenses.
2. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Sector-level education appropriations exclude federal stimulus funding.
3. The U.S. calculation does not include the District of Columbia. There are no two-year public institutions in Alaska or the District of Columbia.

SOURCE: State Higher Education Executive Officers Association

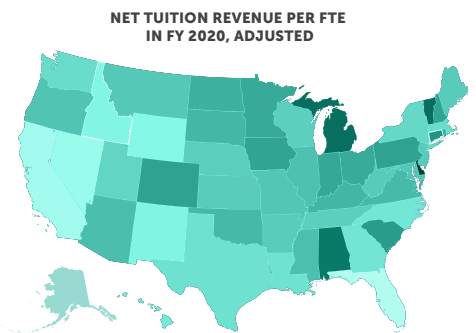
32. For a breakdown of state aid as a percent of education appropriations over time for each state and by sector, visit the web-only Tables 2.3 and 2.3A on the SHEF website at https://shef.sheeo.org/report/?report_page=distribution-of-revenue.

NET TUITION AND TOTAL EDUCATION REVENUE

This section provides a thorough examination of the trends and interstate differences in net tuition revenue and total education revenue, including the student share. This year, for the first time, we also present sector-level breakouts for each of these metrics.

NET TUITION REVENUE

Net tuition revenue is calculated by taking the gross amount of tuition and fees net of state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees. Federal financial aid and student loans are included in net tuition revenue. Since 1980, net tuition revenue per FTE has increased in all but four years (2000, 2001, 2019, 2020). Overall, annual tuition revenue increases are 2.7% above inflation annually. Visit the SHEF website to view the [interactive tuition revenue map](#).³³ This map shows net tuition revenue per FTE across the nation.



Public institutions received \$6,726 in net tuition revenue from in-state and out-of-state students in 2020, down 1.0% from last year. **The decline in net tuition revenue is due mostly to increases in state public financial aid, but even after considering the effects of financial aid, net tuition revenue per FTE did not keep up with inflation in either of the last two years.** Net tuition revenue is impacted by changes in tuition rates but also variation in the proportion of out-of-state, international, and graduate student enrollment over the last decade. Nationally, inflation-adjusted net tuition revenue per FTE has increased substantially over time: 188.7% since the start of the SHEF dataset in 1980; 25.8% in the last ten years; and only 0.2% in the last five years.

1. STATE COMPARISONS

Net tuition revenue per FTE ranges widely across the states due to differences in the mix of students paying different tuition rates, the availability of state public financial aid, and whether institutions can freely raise their tuition rates. On the low end, net tuition revenue is less than \$3,000 per FTE in California and Florida. On the high end, net tuition revenue is over \$18,000 in Delaware. Eight states have net tuition revenue averages below \$5,000 per FTE, and 11 states are above \$10,000 per FTE (*Figure 4.1*).

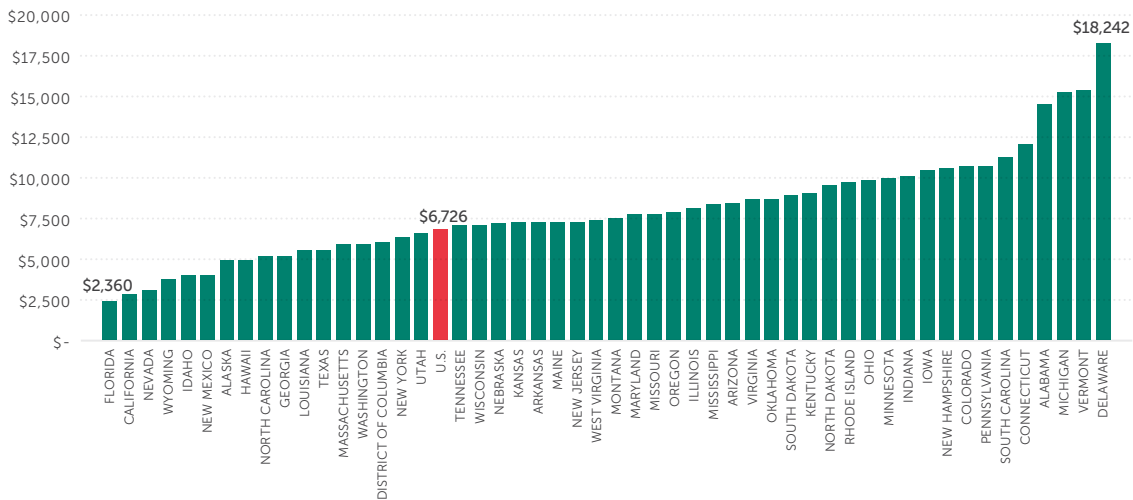
- Net tuition revenue per FTE declined in 26 states and Washington, D.C., between 2019 and 2020. The greatest decreases were 7.1% and 7.0% in Florida and Wyoming, respectively (*Table 4.1*).
- Of the 24 states with net tuition revenue increases, five had increases higher than 5% (Connecticut, Delaware, Missouri, New Mexico, and Oklahoma). The largest per-student increase in net tuition revenue was \$834 in Missouri (12.1%).³⁴

33. https://shef.sheeo.org/report/?report_page=net-tuition-and-total-education-revenue&modal=Map_4_1

34. Pennsylvania's fiscal year 2020 net tuition revenue is an estimate and subject to change.

Since 1980, net tuition revenue per FTE has increased in every state, and by more than 100% in 43 states. The smallest increase was 30.9% in Nevada; the largest increases, each more than 400%, were in Alabama, Connecticut, and Hawaii. Only Florida has had a decline in net tuition revenue per FTE since 2001.

FIGURE 4.1
PUBLIC HIGHER EDUCATION NET TUITION REVENUE PER FTE BY STATE, FY 2020 (ADJUSTED)



NOTES:

1. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees. Net tuition revenue used for capital debt service is included in net tuition revenue.
2. The U.S. calculation does not include the District of Columbia.
3. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI) and Enrollment Mix Index (EMI). The COLI is not a measure of inflation over time.

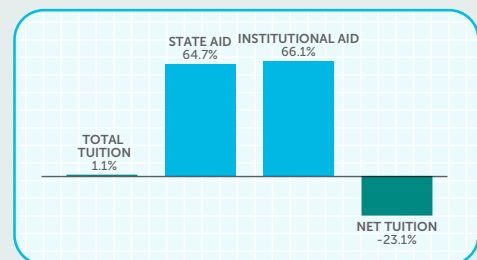
SOURCE: State Higher Education Executive Officers Association

STATE SPOTLIGHT: FLORIDA



Florida is the only state with a decline in net tuition revenue per FTE over the last two decades. The reason for this decline is twofold: First, there have been long-standing limits on tuition-rate increases at Florida’s public colleges and universities, and undergraduate tuition rates have not increased since 2014.³⁵ Second, the state and its public institutions have increased per-FTE commitments to student financial aid (subtracted from net tuition revenue).

Since 2001, total inflation-adjusted tuition revenue per FTE (which includes state and institutional financial aid) has increased only 1.1% in Florida. State aid has increased 64.7%, from \$815 to \$1,343 per FTE. Institutional financial aid has increased 66.1%, from \$348 to \$579 per FTE. As a result, net tuition revenue (which excludes state and institutional financial aid) declined 23.1% from 2001 to 2020.



35. Florida Statutes, Title XLVIII, K-20 Education Code, Ch. 1009, Educational Scholarships, Fees, and Financial Assistance. (2020) http://www.leg.state.fl.us/Statutes/index.cfm?App_mode=Display_Statute&URL=1000-1099/1009/1009.html

TABLE 4.1
**PUBLIC HIGHER EDUCATION NET TUITION REVENUE PER FTE BY STATE, FY 1980-2020
(CONSTANT ADJUSTED DOLLARS)**

	1980	2001	2010	2015	2019	2020	% CHANGE SINCE 2019	% CHANGE SINCE 2015	% CHANGE SINCE 2010	% CHANGE SINCE 2001	% CHANGE SINCE 1980
ALABAMA	\$2,729	\$6,524	\$9,585	\$13,470	\$14,937	\$14,513	-2.8%	7.7%	51.4%	122.5%	431.7%
ALASKA	\$2,313	\$3,082	\$4,396	\$4,303	\$4,807	\$4,879	1.5%	13.4%	11.0%	58.3%	110.9%
ARIZONA	\$2,101	\$4,144	\$5,822	\$8,052	\$8,788	\$8,397	-4.4%	4.3%	44.2%	102.6%	299.6%
ARKANSAS	\$2,923	\$3,458	\$5,248	\$6,261	\$7,199	\$7,233	0.5%	15.5%	37.8%	109.1%	147.4%
CALIFORNIA	\$689	\$1,055	\$1,791	\$2,585	\$2,944	\$2,799	-4.9%	8.3%	56.3%	165.3%	306.1%
COLORADO	\$3,114	\$4,650	\$7,227	\$9,241	\$10,488	\$10,608	1.1%	14.8%	46.8%	128.1%	240.6%
CONNECTICUT	\$2,152	\$5,275	\$6,917	\$9,381	\$11,416	\$11,998	5.1%	27.9%	73.4%	127.5%	457.5%
DELAWARE	\$4,541	\$10,084	\$13,342	\$16,021	\$17,129	\$18,242	6.5%	13.9%	36.7%	80.9%	301.7%
FLORIDA	\$1,666	\$3,071	\$2,449	\$3,611	\$2,541	\$2,360	-7.1%	-34.6%	-3.6%	-23.1%	41.7%
GEORGIA	\$2,050	\$2,523	\$3,013	\$5,447	\$5,157	\$5,181	0.5%	-4.9%	71.9%	105.4%	152.7%
HAWAII	\$937	\$2,449	\$4,292	\$5,087	\$4,992	\$4,889	-2.1%	-3.9%	13.9%	99.6%	421.6%
IDAHO	\$2,056	\$3,034	\$3,432	\$5,253	\$4,151	\$3,963	-4.5%	-24.6%	15.5%	30.6%	92.7%
ILLINOIS	\$1,856	\$3,288	\$6,173	\$8,231	\$8,634	\$8,119	-6.0%	-1.4%	31.5%	147.0%	337.5%
INDIANA	\$3,495	\$6,445	\$8,044	\$9,983	\$9,999	\$10,062	0.6%	0.8%	25.1%	56.1%	187.9%
IOWA	\$3,188	\$5,853	\$8,295	\$10,016	\$10,444	\$10,433	-0.1%	4.2%	25.8%	78.2%	227.2%
KANSAS	\$2,825	\$4,246	\$5,983	\$7,088	\$7,261	\$7,217	-0.6%	1.8%	20.6%	70.0%	155.5%
KENTUCKY	\$2,668	\$5,294	\$6,623	\$8,947	\$9,048	\$8,994	-0.6%	0.5%	35.8%	69.9%	237.2%
LOUISIANA	\$2,072	\$2,883	\$3,321	\$5,435	\$5,569	\$5,462	-1.9%	0.5%	64.5%	89.4%	163.6%
MAINE	\$3,296	\$6,096	\$7,857	\$7,843	\$7,363	\$7,264	-1.4%	-7.4%	-7.6%	19.1%	120.4%
MARYLAND	\$2,575	\$5,718	\$6,957	\$7,376	\$7,657	\$7,685	0.4%	4.2%	10.5%	34.4%	198.5%
MASSACHUSETTS	\$2,387	\$4,454	\$6,084	\$5,580	\$5,706	\$5,871	2.9%	5.2%	-3.5%	31.8%	145.9%
MICHIGAN	\$4,195	\$7,400	\$11,035	\$13,795	\$14,612	\$15,167	3.8%	9.9%	37.4%	105.0%	261.6%
MINNESOTA	\$2,377	\$4,508	\$8,735	\$9,529	\$9,706	\$9,914	2.1%	4.0%	13.5%	119.9%	317.1%
MISSISSIPPI	\$3,160	\$4,343	\$5,787	\$7,567	\$8,245	\$8,280	0.4%	9.4%	43.1%	90.7%	162.0%
MISSOURI	\$2,992	\$4,826	\$5,944	\$7,887	\$6,880	\$7,714	12.1%	-2.2%	29.8%	59.9%	157.9%
MONTANA	\$2,140	\$4,738	\$6,389	\$7,139	\$7,598	\$7,510	-1.2%	5.2%	17.6%	58.5%	250.9%
NEBRASKA	\$2,448	\$4,157	\$4,370	\$6,408	\$6,918	\$7,073	2.2%	10.4%	61.9%	70.1%	188.9%
NEVADA	\$2,324	\$3,000	\$3,458	\$4,467	\$3,076	\$3,043	-1.1%	-31.9%	-12.0%	1.4%	30.9%
NEW HAMPSHIRE	\$5,932	\$10,428	\$9,313	\$11,141	\$10,569	\$10,513	-0.5%	-5.6%	12.9%	0.8%	77.2%
NEW JERSEY	\$1,979	\$6,792	\$7,992	\$10,030	\$7,443	\$7,301	-1.9%	-27.2%	-8.6%	7.5%	269.0%
NEW MEXICO	\$2,048	\$1,352	\$2,705	\$3,848	\$3,697	\$4,009	8.4%	4.2%	48.2%	196.4%	95.7%
NEW YORK	\$2,768	\$4,527	\$5,104	\$6,157	\$6,139	\$6,279	2.3%	2.0%	23.0%	38.7%	126.9%
NORTH CAROLINA	\$2,031	\$3,122	\$3,456	\$5,267	\$5,472	\$5,146	-6.0%	-2.3%	48.9%	64.9%	153.4%
NORTH DAKOTA	\$2,497	\$4,934	\$7,693	\$8,452	\$9,202	\$9,435	2.5%	11.6%	22.6%	91.2%	277.9%
OHIO	\$4,001	\$6,815	\$8,030	\$9,799	\$9,460	\$9,797	3.6%	0.0%	22.0%	43.7%	144.8%
OKLAHOMA	\$2,147	\$2,888	\$4,876	\$6,762	\$8,277	\$8,699	5.1%	28.7%	78.4%	201.2%	305.1%
OREGON	\$2,313	\$4,252	\$4,965	\$7,851	\$8,079	\$7,853	-2.8%	0.0%	58.2%	84.7%	239.5%
PENNSYLVANIA	\$4,542	\$9,179	\$10,762	\$10,994	\$11,242	\$10,676	-5.0%	-2.9%	-0.8%	16.3%	135.1%
RHODE ISLAND	\$3,144	\$7,030	\$8,156	\$8,569	\$9,495	\$9,728	2.4%	13.5%	19.3%	38.4%	209.5%
SOUTH CAROLINA	\$2,271	\$4,778	\$7,309	\$9,562	\$11,255	\$11,187	-0.6%	17.0%	53.1%	134.1%	392.5%
SOUTH DAKOTA	\$3,446	\$6,439	\$7,381	\$8,252	\$8,996	\$8,865	-1.5%	7.4%	20.1%	37.7%	157.2%
TENNESSEE	\$2,622	\$4,780	\$5,450	\$7,731	\$7,108	\$6,959	-2.1%	-10.0%	27.7%	45.6%	165.4%
TEXAS	\$1,883	\$4,939	\$5,008	\$5,547	\$5,838	\$5,522	-5.4%	-0.5%	10.2%	11.8%	193.3%
UTAH	\$2,425	\$3,072	\$4,793	\$6,210	\$6,353	\$6,509	2.5%	4.8%	35.8%	111.9%	168.4%
VERMONT	\$7,310	\$12,548	\$13,694	\$15,142	\$15,772	\$15,330	-2.8%	1.2%	12.0%	22.2%	109.7%
VIRGINIA	\$2,348	\$4,401	\$7,028	\$7,889	\$8,624	\$8,665	0.5%	9.8%	23.3%	96.9%	269.0%
WASHINGTON	\$2,271	\$2,642	\$3,738	\$6,066	\$5,677	\$5,895	3.8%	-2.8%	57.7%	123.1%	159.5%
WEST VIRGINIA	\$1,799	\$4,206	\$6,033	\$7,542	\$7,545	\$7,315	-3.0%	-3.0%	21.2%	73.9%	306.7%
WISCONSIN	\$3,648	\$3,994	\$5,413	\$6,659	\$6,916	\$6,980	0.9%	4.8%	29.0%	74.8%	91.3%
WYOMING	\$2,525	\$3,501	\$2,264	\$3,206	\$3,968	\$3,691	-7.0%	15.1%	63.0%	5.4%	46.2%
U.S.	\$2,329	\$4,106	\$5,346	\$6,710	\$6,792	\$6,726	-1.0%	0.2%	25.8%	63.8%	188.7%
D.C.	N/A	N/A	N/A	\$6,319	\$6,272	\$6,001	-4.3%	-5.0%	N/A	N/A	N/A

NOTES:

1. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees.
2. The U.S. calculation does not include the District of Columbia. Data for the District of Columbia are not available prior to 2011.
3. The years 1980 and 2001 are included in this table because they are the starting points of the historical SHEF dataset and modern SHEF data collection, respectively.
4. FY 2020 includes estimated net tuition revenue for Pennsylvania.
5. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI), Enrollment Mix Index (EMI), and Higher Education Cost Adjustment (HECA). The COLI is not a measure of inflation over time.

SOURCE: State Higher Education Executive Officers Association

2. SECTOR COMPARISONS



Table 4.1A presents new data on net tuition revenue per FTE for the two- and four-year public sectors separately.

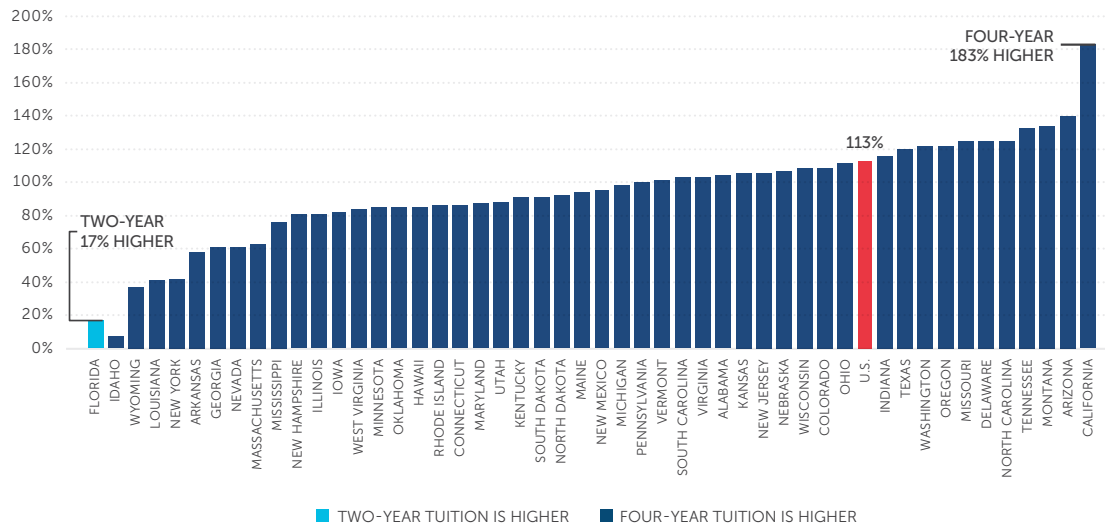
Net tuition revenue at two-year institutions averaged \$2,606 per FTE in 2020, down 3.4% (\$92 per FTE) from 2019. Net tuition ranged from a low of \$270 per FTE in California (the only state with less than \$1,000 per FTE in net tuition revenue in either sector) to over \$6,000 per FTE in Iowa and Michigan.

In the last year, per-FTE tuition revenue declined at two-year institutions in 26 states. Four states had declines of greater than 10%: California, Illinois, Ohio, and Oregon. Of the 23 states with increases, the largest (and only increase above 10%) was 33.8% in Washington.

At four-year institutions, tuition revenue averaged \$9,385 per FTE, 3.6 times the average tuition in the two-year sector. Only five states averaged less than \$5,000 in four-year net tuition revenue per FTE: Alaska, Florida, Idaho, Nevada, and Wyoming. Florida had the lowest four-year tuition (\$2,281). On the other hand, five states had net tuition revenue greater than \$15,000 per FTE: Alabama, Delaware, Michigan, South Carolina, and Vermont. Delaware had the highest four-year net tuition revenue (\$25,223 per FTE).

Figure 4.1A displays the disparity in net tuition revenue per FTE between the two- and four-year public sectors within each state. Only Florida is on the figure's left side (the **light blue** bar), with higher per-FTE net tuition revenue in the two-year sector. All other states are on the figure's right side (the **dark blue** bars), with relatively higher net tuition revenue per FTE in the four-year sector. California has the largest disparity in net tuition revenue across sectors.

FIGURE 4.1A
PERCENT DIFFERENCE IN TWO-YEAR AND FOUR-YEAR PUBLIC HIGHER EDUCATION
NET TUITION REVENUE PER FTE BY STATE, FY 2020



NOTES:

1. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees. Net tuition revenue used for capital debt service is included in net tuition revenue.
2. Alaska and the District of Columbia are excluded from this figure because they do not have any public two-year institutions.
3. FY 2019 and 2020 include estimated net tuition revenue for Idaho, and FY 2020 includes estimated net tuition revenue for Pennsylvania.
4. Sector is determined at the institution level using the Carnegie Basic Classification (<https://carnegieclassifications.iu.edu>). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.

SOURCE: State Higher Education Executive Officers Association

TABLE 4.1A
**PUBLIC HIGHER EDUCATION NET TUITION REVENUE PER FTE BY SECTOR AND STATE,
FY 2019-2020 (CONSTANT ADJUSTED DOLLARS)**

	TWO-YEAR TUITION REVENUE				FOUR-YEAR TUITION REVENUE			
	2019	2020	INDEX TO U.S. AVERAGE	% CHANGE SINCE 2019	2019	2020	INDEX TO U.S. AVERAGE	% CHANGE SINCE 2019
ALABAMA	\$5,665	\$5,549	2.13	-2.1%	\$18,305	\$17,690	1.88	-3.4%
ALASKA	\$-	\$-	-	N/A	\$4,732	\$4,803	0.51	1.5%
ARIZONA	\$2,126	\$2,160	0.83	1.6%	\$13,326	\$12,169	1.30	-8.7%
ARKANSAS	\$4,565	\$4,576	1.76	0.2%	\$8,222	\$8,334	0.89	1.4%
CALIFORNIA	\$361	\$270	0.10	-25.4%	\$6,173	\$5,907	0.63	-4.3%
COLORADO	\$4,331	\$4,185	1.61	-3.4%	\$14,030	\$14,305	1.52	2.0%
CONNECTICUT	\$5,624	\$5,736	2.20	2.0%	\$13,774	\$14,438	1.54	4.8%
DELAWARE	\$5,794	\$5,801	2.23	0.1%	\$23,823	\$25,223	2.69	5.9%
FLORIDA	\$2,795	\$2,691	1.03	-3.7%	\$2,552	\$2,281	0.24	-10.6%
GEORGIA	\$3,152	\$3,233	1.24	2.6%	\$6,074	\$6,071	0.65	0.0%
HAWAII	\$2,753	\$2,706	1.04	-1.7%	\$6,910	\$6,722	0.72	-2.7%
IDAHO	\$3,682	\$3,681	1.41	0.0%	\$4,220	\$3,953	0.42	-6.3%
ILLINOIS	\$5,430	\$4,536	1.74	-16.5%	\$10,793	\$10,733	1.14	-0.6%
INDIANA	\$3,577	\$3,501	1.34	-2.1%	\$13,107	\$13,178	1.40	0.5%
IOWA	\$6,369	\$6,136	2.35	-3.7%	\$14,458	\$14,646	1.56	1.3%
KANSAS	\$3,015	\$3,153	1.21	4.6%	\$10,485	\$10,252	1.09	-2.2%
KENTUCKY	\$4,696	\$4,256	1.63	-9.4%	\$11,183	\$11,338	1.21	1.4%
LOUISIANA	\$4,052	\$3,989	1.53	-1.5%	\$6,141	\$6,017	0.64	-2.0%
MAINE	\$3,247	\$3,065	1.18	-5.6%	\$8,511	\$8,492	0.90	-0.2%
MARYLAND	\$3,892	\$3,895	1.49	0.1%	\$9,949	\$9,880	1.05	-0.7%
MASSACHUSETTS	\$3,240	\$3,506	1.35	8.2%	\$6,677	\$6,702	0.71	0.4%
MICHIGAN	\$6,482	\$6,706	2.57	3.4%	\$19,169	\$19,630	2.09	2.4%
MINNESOTA	\$5,144	\$5,245	2.01	2.0%	\$12,697	\$12,951	1.38	2.0%
MISSISSIPPI	\$4,721	\$4,810	1.85	1.9%	\$10,769	\$10,733	1.14	-0.3%
MISSOURI	\$2,282	\$2,304	0.88	1.0%	\$8,805	\$9,927	1.06	12.7%
MONTANA	\$1,757	\$1,734	0.67	-1.3%	\$8,878	\$8,755	0.93	-1.4%
NEBRASKA	\$2,895	\$2,888	1.11	-0.2%	\$9,404	\$9,473	1.01	0.7%
NEVADA	\$1,610	\$1,593	0.61	-1.0%	\$3,038	\$3,005	0.32	-1.1%
NEW HAMPSHIRE	\$5,099	\$5,062	1.94	-0.7%	\$12,039	\$11,885	1.27	-1.3%
NEW JERSEY	\$3,025	\$2,954	1.13	-2.3%	\$9,910	\$9,635	1.03	-2.8%
NEW MEXICO	\$1,936	\$2,071	0.79	6.9%	\$5,261	\$5,819	0.62	10.6%
NEW YORK	\$4,230	\$4,503	1.73	6.5%	\$6,908	\$6,909	0.74	0.0%
NORTH CAROLINA	\$1,895	\$1,793	0.69	-5.4%	\$8,241	\$7,823	0.83	-5.1%
NORTH DAKOTA	\$3,775	\$3,873	1.49	2.6%	\$10,235	\$10,507	1.12	2.7%
OHIO	\$3,958	\$3,531	1.36	-10.8%	\$11,703	\$12,457	1.33	6.4%
OKLAHOMA	\$4,125	\$4,223	1.62	2.4%	\$10,114	\$10,475	1.12	3.6%
OREGON	\$3,766	\$2,831	1.09	-24.8%	\$11,573	\$11,633	1.24	0.5%
PENNSYLVANIA	\$4,559	\$4,451	1.71	-2.4%	\$14,183	\$13,443	1.43	-5.2%
RHODE ISLAND	\$4,457	\$4,550	1.75	2.1%	\$11,017	\$11,412	1.22	3.6%
SOUTH CAROLINA	\$4,814	\$4,839	1.86	0.5%	\$14,510	\$15,051	1.60	3.7%
SOUTH DAKOTA	\$3,432	\$3,661	1.40	6.7%	\$9,959	\$9,796	1.04	-1.6%
TENNESSEE	\$1,964	\$2,001	0.77	1.9%	\$10,119	\$9,912	1.06	-2.0%
TEXAS	\$2,279	\$2,110	0.81	-7.4%	\$8,920	\$8,425	0.90	-5.6%
UTAH	\$2,971	\$2,959	1.14	-0.4%	\$7,418	\$7,582	0.81	2.2%
VERMONT	\$5,283	\$5,482	2.10	3.8%	\$17,234	\$16,639	1.77	-3.5%
VIRGINIA	\$3,968	\$3,715	1.43	-6.4%	\$11,562	\$11,626	1.24	0.6%
WASHINGTON	\$1,720	\$2,301	0.88	33.8%	\$7,403	\$9,458	1.01	27.7%
WEST VIRGINIA	\$3,986	\$3,678	1.41	-7.7%	\$9,199	\$8,987	0.96	-2.3%
WISCONSIN	\$2,959	\$2,684	1.03	-9.3%	\$9,189	\$9,116	0.97	-0.8%
WYOMING	\$2,611	\$2,765	1.06	5.9%	\$4,677	\$4,006	0.43	-14.4%
U.S.	\$2,698	\$2,606	1.00	-3.4%	\$9,436	\$9,385	1.00	-0.5%
D.C.	\$-	\$-	-	N/A	\$6,046	\$5,784	0.62	-4.3%

NOTES:

1. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees.
2. The U.S. calculation does not include the District of Columbia. There are no two-year public institutions in Alaska or the District of Columbia.
3. FY 2019 and 2020 include estimated net tuition revenue for Idaho, and FY 2020 includes estimated net tuition revenue for Pennsylvania.
4. Sector-level data are a new component of the SHEF report and are not currently available for years prior to 2019.
5. Sector is determined at the institution level using the Carnegie Basic Classification (<https://carnegieclassifications.iu.edu>). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
6. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI) and Higher Education Cost Adjustment (HECA). The COLI is not a measure of inflation over time. The Enrollment Mix Index (EMI) is not applied to sector-level data.

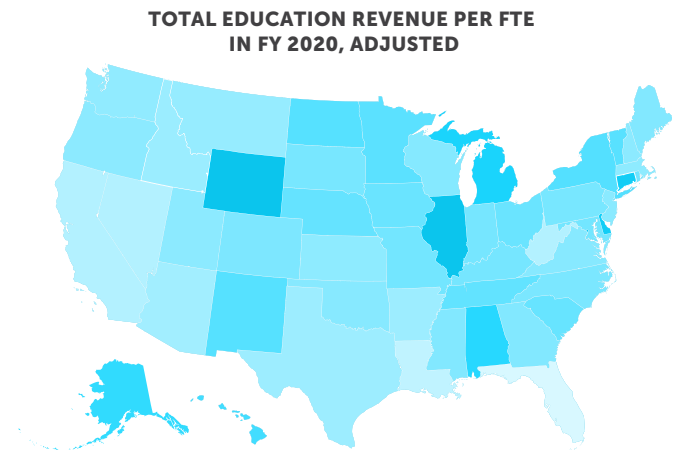
SOURCE: State Higher Education Executive Officers Association

TOTAL EDUCATION REVENUE

Total education revenue is the sum of education appropriations and net tuition, excluding net tuition revenue used for capital debt service. Visit the SHEF website to view the [interactive education revenue map](#).³⁶ This map shows total education revenue per FTE across the nation.

Total education revenue increased 1.2% from 2019 to 2020, reaching an all-time high of \$15,276 per FTE. This marks the eighth year of total revenue increases following declines during the Great Recession. Total revenue has increased 7.6% since 2001 and 37.1% since the start of the SHEF dataset in 1980.

Record high total revenue does not indicate that all public institutions have more revenue than ever before. Following declines in state funding after the last two recessions, institutions varied widely in their ability to increase tuition revenue (either by increasing rates or out-of-state enrollment). Total education revenue is at an all-time high in only 21 states. Many institutions, particularly those that are the most reliant on state funding, have not been able to increase tuition revenue to offset declines in state funding and are not at an all-time high for total education revenue.³⁷



1. STATE COMPARISONS

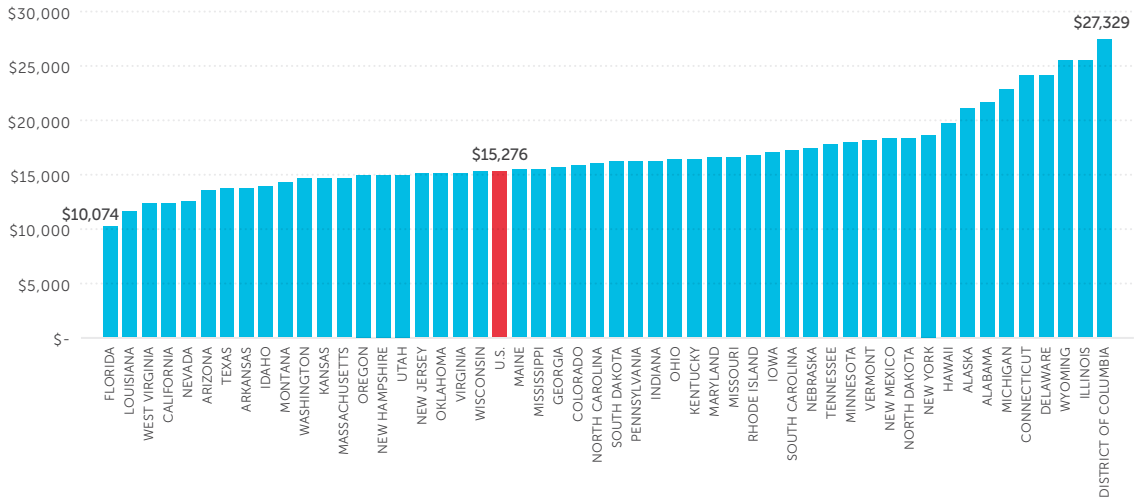
Total education revenue per FTE ranges from a low of \$10,074 in Florida to over \$25,000 in Illinois and Wyoming and \$27,329 in Washington, D.C. (*Figure 4.2*).

- Public institutions in seven states and Washington, D.C., have more than \$20,000 per FTE in education revenue. These funds are primarily sourced from education appropriations in Alaska, Illinois, Washington, D.C., and Wyoming, and come mainly from tuition revenue in Alabama, Connecticut, Delaware, and Michigan.
- Total revenue increased in 37 states and Washington, D.C., from 2019 to 2020 (*Table 4.2*). The largest increases were 14.7% in Missouri and 15.4% in New Mexico. Both states had large increases in education appropriations and moderate increases in net tuition revenue this year. Thirteen states had declines in per-FTE total revenue in 2020, the largest of which was 6.7% in Arkansas. No other state saw a decline greater than 5%.
- Total revenue has increased in 34 states since 2001 and 48 states since 1980. The two states with inflation-adjusted declines in total education revenue per FTE since 1980 are Alaska (14.9%) and Idaho (2.6%).

36. https://shef.sheeo.org/data-visualizations/map-4-2/?report_page=net-tuition-and-total-education-revenue&modal=Map_4_2

37. State Higher Education Executive Officers Association. (2021). Investigating the impacts of state higher education appropriations and financial aid. Forthcoming.

FIGURE 4.2
PUBLIC HIGHER EDUCATION TOTAL EDUCATION REVENUE PER FTE BY STATE, FY 2020
(ADJUSTED)



NOTES:

1. Total education revenue is the sum of education appropriations and net tuition, excluding net tuition revenue used for capital debt service. Total education revenue includes federal stimulus funding.
2. The U.S. calculation does not include the District of Columbia.
3. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI) and Enrollment Mix Index (EMI). The COLI is not a measure of inflation over time.

SOURCE: State Higher Education Executive Officers Association

TABLE 4.2
**PUBLIC HIGHER EDUCATION TOTAL EDUCATION REVENUE PER FTE BY STATE,
FY 1980-2020 (CONSTANT ADJUSTED DOLLARS)**

	1980	2001	2010	2015	2019	2020	% CHANGE SINCE 2019	% CHANGE SINCE 2015	% CHANGE SINCE 2010	% CHANGE SINCE 2001	% CHANGE SINCE 1980
ALABAMA	\$10,239	\$15,376	\$16,631	\$19,479	\$21,558	\$21,630	0.3%	11.0%	30.1%	40.7%	111.3%
ALASKA	\$24,682	\$16,923	\$19,377	\$20,838	\$20,748	\$21,007	1.2%	0.8%	8.4%	24.1%	-14.9%
ARIZONA	\$9,886	\$12,630	\$13,574	\$13,886	\$14,080	\$13,531	-3.9%	-2.6%	-0.3%	7.1%	36.9%
ARKANSAS	\$12,429	\$13,101	\$13,823	\$13,970	\$14,714	\$13,734	-6.7%	-1.7%	-0.6%	4.8%	10.5%
CALIFORNIA	\$9,144	\$10,352	\$9,264	\$10,736	\$12,211	\$12,330	1.0%	14.8%	33.1%	19.1%	34.8%
COLORADO	\$8,501	\$11,145	\$12,152	\$13,275	\$15,184	\$15,748	3.7%	18.6%	29.6%	41.3%	85.2%
CONNECTICUT	\$10,051	\$20,792	\$20,382	\$21,455	\$23,086	\$23,963	3.8%	11.7%	17.6%	15.3%	138.4%
DELAWARE	\$11,984	\$18,709	\$20,396	\$21,574	\$22,761	\$24,021	5.5%	11.3%	17.8%	28.4%	100.4%
FLORIDA	\$8,282	\$13,118	\$9,364	\$10,265	\$10,148	\$10,074	-0.7%	-1.9%	7.6%	-23.2%	21.6%
GEORGIA	\$11,240	\$16,715	\$12,428	\$14,421	\$15,285	\$15,526	1.6%	7.7%	24.9%	-7.1%	38.1%
HAWAII	\$10,985	\$12,527	\$15,345	\$15,457	\$19,843	\$19,624	-1.1%	27.0%	27.9%	56.7%	78.7%
IDAHO	\$14,241	\$16,029	\$13,029	\$13,906	\$13,956	\$13,873	-0.6%	-0.2%	6.5%	-13.5%	-2.6%
ILLINOIS	\$11,315	\$17,647	\$19,590	\$24,154	\$25,209	\$25,476	1.1%	5.5%	30.0%	44.4%	125.2%
INDIANA	\$12,661	\$15,555	\$14,427	\$16,078	\$16,333	\$16,220	-0.7%	0.9%	12.4%	4.3%	28.1%
IOWA	\$13,018	\$16,634	\$15,645	\$16,783	\$16,691	\$17,041	2.1%	1.5%	8.9%	2.4%	30.9%
KANSAS	\$12,193	\$14,949	\$13,308	\$13,989	\$14,330	\$14,593	1.8%	4.3%	9.7%	-2.4%	19.7%
KENTUCKY	\$12,920	\$17,767	\$15,976	\$16,602	\$16,325	\$16,254	-0.4%	-2.1%	1.7%	-8.5%	25.8%
LOUISIANA	\$11,187	\$10,955	\$12,091	\$11,699	\$11,640	\$11,605	-0.3%	-0.8%	-4.0%	5.9%	3.7%
MAINE	\$10,259	\$16,399	\$15,290	\$15,170	\$15,311	\$15,366	0.4%	1.3%	0.5%	-6.3%	49.8%
MARYLAND	\$9,765	\$15,389	\$14,482	\$14,778	\$15,814	\$16,485	4.2%	11.5%	13.8%	7.1%	68.8%
MASSACHUSETTS	\$10,458	\$15,361	\$13,062	\$13,063	\$13,993	\$14,599	4.3%	11.8%	11.8%	-5.0%	39.6%
MICHIGAN	\$14,133	\$19,606	\$18,372	\$20,824	\$22,038	\$22,796	3.4%	9.5%	24.1%	16.3%	61.3%
MINNESOTA	\$12,888	\$15,176	\$16,577	\$16,541	\$17,396	\$17,969	3.3%	8.6%	8.4%	18.4%	39.4%
MISSISSIPPI	\$12,258	\$15,440	\$14,929	\$15,696	\$15,089	\$15,446	2.4%	-1.6%	3.5%	0.0%	26.0%
MISSOURI	\$13,601	\$17,550	\$14,794	\$16,016	\$14,415	\$16,533	14.7%	3.2%	11.8%	-5.8%	21.6%
MONTANA	\$10,287	\$11,031	\$12,543	\$13,474	\$13,875	\$14,267	2.8%	5.9%	13.7%	29.3%	38.7%
NEBRASKA	\$10,986	\$12,672	\$13,541	\$15,903	\$16,653	\$17,306	3.9%	8.8%	27.8%	36.6%	57.5%
NEVADA	\$12,244	\$13,419	\$13,852	\$12,928	\$12,523	\$12,472	-0.4%	-3.5%	-10.0%	-7.1%	1.9%
NEW HAMPSHIRE	\$10,917	\$15,955	\$12,936	\$14,091	\$13,611	\$14,834	9.0%	5.3%	14.7%	-7.0%	35.9%
NEW JERSEY	\$9,954	\$17,584	\$17,220	\$17,810	\$15,491	\$15,037	-2.9%	-15.6%	-12.7%	-14.5%	51.1%
NEW MEXICO	\$12,689	\$12,168	\$11,936	\$14,852	\$15,834	\$18,277	15.4%	23.1%	53.1%	50.2%	44.0%
NEW YORK	\$14,116	\$15,262	\$15,684	\$16,937	\$18,244	\$18,531	1.6%	9.4%	18.1%	21.4%	31.3%
NORTH CAROLINA	\$12,343	\$16,481	\$13,969	\$15,592	\$16,513	\$15,889	-3.8%	1.9%	13.7%	-3.6%	28.7%
NORTH DAKOTA	\$11,052	\$12,215	\$15,756	\$18,266	\$17,628	\$18,309	3.9%	0.2%	16.2%	49.9%	65.7%
OHIO	\$12,183	\$16,658	\$14,319	\$16,224	\$16,022	\$16,228	1.3%	0.0%	13.3%	-2.6%	33.2%
OKLAHOMA	\$10,849	\$13,542	\$15,048	\$15,375	\$14,486	\$15,092	4.2%	-1.8%	0.3%	11.4%	39.1%
OREGON	\$9,325	\$11,855	\$9,915	\$12,737	\$14,338	\$14,830	3.4%	16.4%	49.6%	25.1%	59.0%
PENNSYLVANIA	\$14,178	\$18,838	\$16,712	\$15,645	\$16,322	\$16,088	-1.4%	2.8%	-3.7%	-14.6%	13.5%
RHODE ISLAND	\$13,438	\$15,964	\$13,271	\$13,765	\$16,134	\$16,606	2.9%	20.6%	25.1%	4.0%	23.6%
SOUTH CAROLINA	\$11,725	\$12,530	\$12,813	\$14,365	\$16,398	\$17,225	5.0%	19.9%	34.4%	37.5%	46.9%
SOUTH DAKOTA	\$12,556	\$15,065	\$13,536	\$13,855	\$15,168	\$16,077	6.0%	16.0%	18.8%	6.7%	28.0%
TENNESSEE	\$11,633	\$14,238	\$15,162	\$15,999	\$17,172	\$17,647	2.8%	10.3%	16.4%	23.9%	51.7%
TEXAS	\$10,126	\$14,531	\$14,823	\$13,627	\$14,014	\$13,669	-2.5%	0.3%	-7.8%	-5.9%	35.0%
UTAH	\$12,172	\$11,542	\$11,733	\$13,483	\$14,124	\$14,908	5.5%	10.6%	27.1%	29.2%	22.5%
VERMONT	\$11,735	\$16,481	\$16,534	\$17,544	\$18,099	\$18,119	0.1%	3.3%	9.6%	9.9%	54.4%
VIRGINIA	\$9,760	\$13,641	\$13,059	\$13,178	\$14,612	\$15,097	3.3%	14.6%	15.6%	10.7%	54.7%
WASHINGTON	\$11,171	\$11,218	\$10,887	\$12,420	\$13,491	\$14,505	7.5%	16.8%	33.2%	29.3%	29.8%
WEST VIRGINIA	\$9,452	\$10,722	\$11,327	\$12,407	\$12,023	\$12,272	2.1%	-1.1%	8.3%	14.5%	29.8%
WISCONSIN	\$13,876	\$15,452	\$14,234	\$15,068	\$15,143	\$15,256	0.7%	1.3%	7.2%	-1.3%	10.0%
WYOMING	\$18,022	\$16,180	\$17,738	\$21,349	\$23,233	\$25,455	9.6%	19.2%	43.5%	57.3%	41.2%
U.S.	\$11,143	\$14,195	\$13,444	\$14,469	\$15,102	\$15,276	1.2%	5.6%	13.6%	7.6%	37.1%
D.C.	N/A	N/A	N/A	\$23,130	\$25,539	\$27,329	7.0%	18.2%	N/A	N/A	N/A

NOTES:

- Total education revenue is the sum of education appropriations and net tuition, excluding net tuition revenue used for capital debt service. Total education revenue includes federal stimulus funding.
- The U.S. calculation does not include the District of Columbia. Data for the District of Columbia are not available prior to 2011.
- The years 1980 and 2001 are included in this table because they are the starting points of the historical SHEF dataset and modern SHEF data collection, respectively.
- Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI), Enrollment Mix Index (EMI), and Higher Education Cost Adjustment (HECA). The COLI is not a measure of inflation over time.

SOURCE: State Higher Education Executive Officers Association

2. SECTOR COMPARISONS



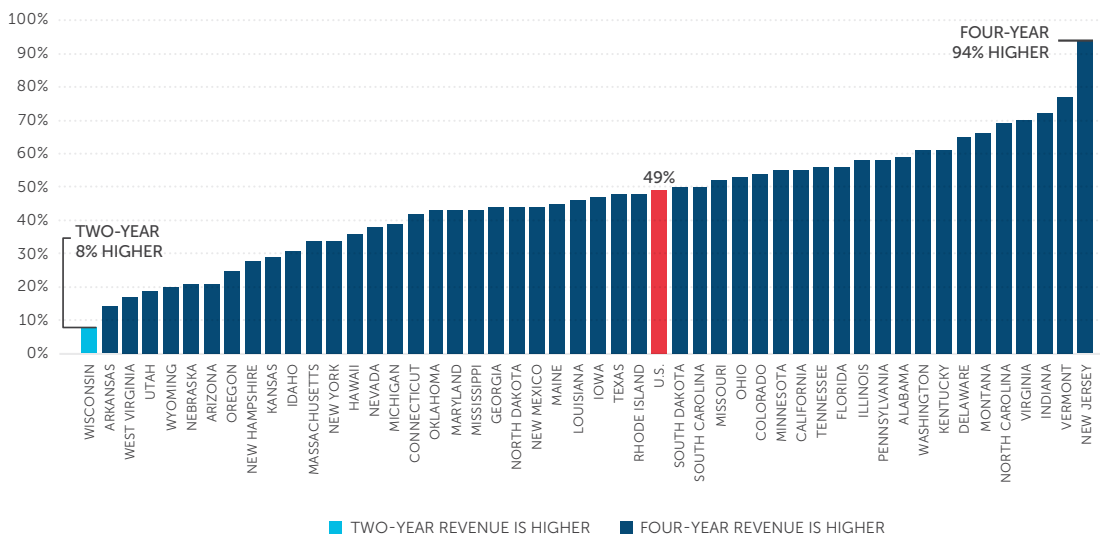
Table 4.2A presents new data on total education revenue per FTE for the two- and four-year public sectors separately.

At two-year public institutions, total education revenue averaged \$10,758 per FTE, up 1.0% from 2019. Total revenue ranged from around \$7,000 in Florida and New Jersey to \$18,654 in Wyoming. Thirty-six states saw increases in total education revenue per FTE at two-year institutions this year, the largest of which were 19.0% in Missouri and 17.7% in Washington. Of the 13 states with declines, only one was greater than 5%—Ohio, with an 8.2% decline in total education revenue per FTE.

Total education revenue at four-year institutions averaged \$17,645 in 2020, up 0.6% from 2019. **Four-year institutions had, on average, 1.64 times the amount of total revenue per FTE at two-year institutions.** Nevada had the lowest revenue per FTE (\$11,780). Fourteen states had total revenue greater than \$20,000—and Delaware and Illinois had more than \$30,000 per FTE.

Figure 4.2A displays the disparity in total education revenue per FTE between the two-year and four-year public sectors within each state. Only Wisconsin is on the figure's left side (the **light blue** bar), with higher total education revenue in the two-year sector. All other states are on the figure's right side (the **dark blue** bars), with relatively higher total education revenue per FTE in the four-year sector. New Jersey has the largest disparity in total education revenue across sectors, where four-year institutions have 2.8 times the total revenue of two-year institutions.

FIGURE 4.2A
PERCENT DIFFERENCE IN TWO-YEAR AND FOUR-YEAR PUBLIC HIGHER EDUCATION TOTAL EDUCATION REVENUE PER FTE BY STATE, FY 2020



NOTES:

- Total education revenue is the sum of education appropriations and net tuition, excluding net tuition revenue used for capital debt service. Sector-level total education revenue excludes federal stimulus funding.
- Alaska and the District of Columbia are excluded from this figure because they do not have any public two-year institutions.
- FY 2019 and 2020 include estimated net tuition revenue for Idaho, and FY 2020 includes estimated net tuition revenue for Pennsylvania.
- Sector is determined at the institution level using the Carnegie Basic Classification (<https://carnegieclassifications.iu.edu>). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.

SOURCE: State Higher Education Executive Officers Association

TABLE 4.2A
PUBLIC HIGHER EDUCATION TOTAL EDUCATION REVENUE PER FTE BY SECTOR AND STATE, FY 2019-2020 (CONSTANT ADJUSTED DOLLARS)

	TWO-YEAR TOTAL REVENUE				FOUR-YEAR TOTAL REVENUE			
	2019	2020	INDEX TO U.S. AVERAGE	% CHANGE SINCE 2019	2019	2020	INDEX TO U.S. AVERAGE	% CHANGE SINCE 2019
ALABAMA	\$12,274	\$12,726	1.18	3.7%	\$23,789	\$23,415	1.33	-1.6%
ALASKA	\$-	\$-	-	N/A	\$20,426	\$20,600	1.17	0.9%
ARIZONA	\$11,614	\$12,111	1.13	4.3%	\$16,357	\$15,005	0.85	-8.3%
ARKANSAS	\$12,370	\$11,952	1.11	-3.4%	\$15,306	\$13,780	0.78	-10.0%
CALIFORNIA	\$9,090	\$8,733	0.81	-3.9%	\$14,841	\$15,414	0.87	3.9%
COLORADO	\$10,391	\$10,837	1.01	4.3%	\$18,194	\$18,869	1.07	3.7%
CONNECTICUT	\$14,525	\$15,261	1.42	5.1%	\$23,249	\$23,408	1.33	0.7%
DELAWARE	\$14,858	\$15,623	1.45	5.2%	\$29,152	\$30,708	1.74	5.3%
FLORIDA	\$7,632	\$7,600	0.71	-0.4%	\$13,715	\$13,513	0.77	-1.5%
GEORGIA	\$10,192	\$10,336	0.96	1.4%	\$15,805	\$16,135	0.91	2.1%
HAWAII	\$14,476	\$14,561	1.35	0.6%	\$21,642	\$20,861	1.18	-3.6%
IDAHO	\$9,158	\$9,542	0.89	4.2%	\$13,394	\$13,052	0.74	-2.6%
ILLINOIS	\$17,531	\$16,981	1.58	-3.1%	\$29,611	\$30,746	1.74	3.8%
INDIANA	\$9,341	\$9,282	0.86	-0.6%	\$19,933	\$19,747	1.12	-0.9%
IOWA	\$13,065	\$13,281	1.23	1.7%	\$21,007	\$21,525	1.22	2.5%
KANSAS	\$11,898	\$12,444	1.16	4.6%	\$16,641	\$16,688	0.95	0.3%
KENTUCKY	\$10,573	\$10,164	0.94	-3.9%	\$18,897	\$19,051	1.08	0.8%
LOUISIANA	\$7,770	\$7,768	0.72	0.0%	\$12,536	\$12,391	0.70	-1.2%
MAINE	\$10,590	\$10,309	0.96	-2.7%	\$16,098	\$16,330	0.93	1.4%
MARYLAND	\$11,568	\$12,087	1.12	4.5%	\$18,036	\$18,618	1.06	3.2%
MASSACHUSETTS	\$10,066	\$10,947	1.02	8.8%	\$15,210	\$15,496	0.88	1.9%
MICHIGAN	\$16,444	\$17,143	1.59	4.3%	\$25,795	\$25,475	1.44	-1.2%
MINNESOTA	\$11,556	\$11,988	1.11	3.7%	\$20,634	\$21,141	1.20	2.5%
MISSISSIPPI	\$11,043	\$11,434	1.06	3.5%	\$17,508	\$17,790	1.01	1.6%
MISSOURI	\$9,143	\$10,881	1.01	19.0%	\$16,340	\$18,556	1.05	13.6%
MONTANA	\$7,323	\$7,841	0.73	7.1%	\$15,191	\$15,551	0.88	2.4%
NEBRASKA	\$14,274	\$15,496	1.44	8.6%	\$18,775	\$19,066	1.08	1.5%
NEVADA	\$8,363	\$8,008	0.74	-4.2%	\$11,688	\$11,780	0.67	0.8%
NEW HAMPSHIRE	\$9,663	\$10,899	1.01	12.8%	\$14,337	\$14,379	0.81	0.3%
NEW JERSEY	\$7,069	\$6,979	0.65	-1.3%	\$20,140	\$19,303	1.09	-4.2%
NEW MEXICO	\$12,289	\$14,079	1.31	14.6%	\$18,782	\$22,074	1.25	17.5%
NEW YORK	\$13,198	\$13,958	1.30	5.8%	\$19,915	\$19,771	1.12	-0.7%
NORTH CAROLINA	\$10,101	\$9,785	0.91	-3.1%	\$20,862	\$20,149	1.14	-3.4%
NORTH DAKOTA	\$11,043	\$11,699	1.09	5.9%	\$17,726	\$18,289	1.04	3.2%
OHIO	\$11,810	\$10,836	1.01	-8.2%	\$17,933	\$18,700	1.06	4.3%
OKLAHOMA	\$9,917	\$10,794	1.00	8.8%	\$16,340	\$16,619	0.94	1.7%
OREGON	\$12,522	\$12,879	1.20	2.8%	\$16,130	\$16,588	0.94	2.8%
PENNSYLVANIA	\$10,059	\$10,274	0.96	2.1%	\$19,234	\$18,691	1.06	-2.8%
RHODE ISLAND	\$9,379	\$9,460	0.88	0.9%	\$14,966	\$15,458	0.88	3.3%
SOUTH CAROLINA	\$11,363	\$12,181	1.13	7.2%	\$18,920	\$20,401	1.16	7.8%
SOUTH DAKOTA	\$8,459	\$9,483	0.88	12.1%	\$15,513	\$15,861	0.90	2.2%
TENNESSEE	\$11,360	\$11,375	1.06	0.1%	\$19,726	\$20,143	1.14	2.1%
TEXAS	\$9,498	\$9,682	0.90	1.9%	\$16,834	\$15,767	0.89	-6.3%
UTAH	\$12,273	\$13,048	1.21	6.3%	\$14,994	\$15,779	0.89	5.2%
VERMONT	\$8,073	\$8,386	0.78	3.9%	\$19,477	\$18,889	1.07	-3.0%
VIRGINIA	\$8,799	\$8,883	0.83	1.0%	\$17,900	\$18,370	1.04	2.6%
WASHINGTON	\$8,415	\$9,902	0.92	17.7%	\$15,771	\$18,523	1.05	17.4%
WEST VIRGINIA	\$10,924	\$11,505	1.07	5.3%	\$13,369	\$13,658	0.77	2.2%
WISCONSIN	\$14,980	\$15,852	1.47	5.8%	\$14,789	\$14,577	0.83	-1.4%
WYOMING	\$19,138	\$18,654	1.73	-2.5%	\$23,105	\$22,866	1.30	-1.0%
U.S.	\$10,653	\$10,758	1.00	1.0%	\$17,538	\$17,645	1.00	0.6%
D.C.	\$-	\$-	-	N/A	\$24,617	\$26,342	1.49	7.0%

NOTES:

- Total education revenue is the sum of education appropriations and net tuition, excluding net tuition revenue used for capital debt service. Sector-level total education revenue excludes federal stimulus funding.
- The U.S. calculation does not include the District of Columbia. There are no two-year public institutions in Alaska or the District of Columbia.
- FY 2019 and 2020 include estimated net tuition revenue for Idaho, and FY 2020 includes estimated net tuition revenue for Pennsylvania.
- Sector-level data are a new component of the SHEF report and are not currently available for years prior to 2019.
- Sector is determined at the institution level using the Carnegie Basic Classification (<https://carnegieclassifications.iu.edu>). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
- Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI) and Higher Education Cost Adjustment (HECA). The COLI is not a measure of inflation over time. The Enrollment Mix Index (EMI) is not applied to sector-level data.

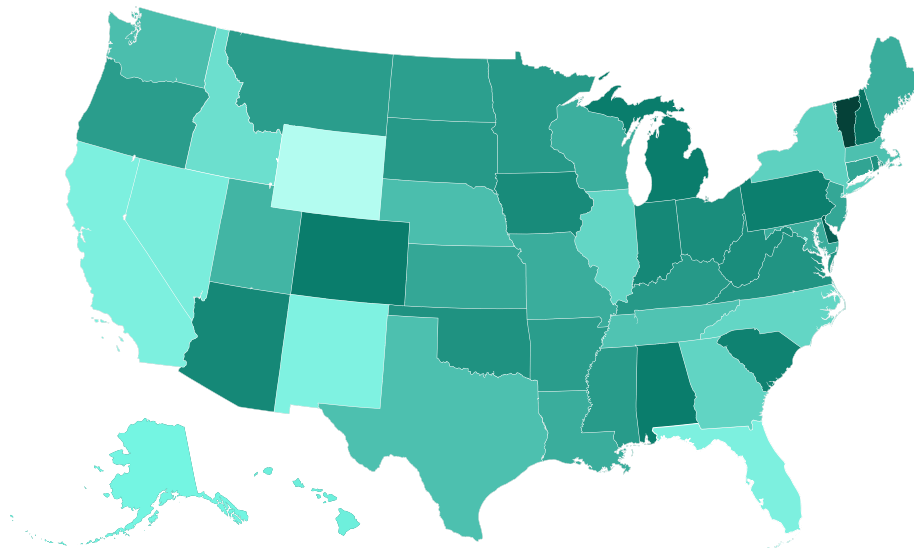
SOURCE: State Higher Education Executive Officers Association

STUDENT SHARE

Net tuition as a percent of total education revenue (the student share) shows the overall reliance of public institutions on tuition as a revenue source. Net tuition excludes state and institutional financial aid but does not exclude federal financial aid or loans.

Visit the SHEF website to view the [interactive student share map](#). This map shows the student share for students attending two- and four-year institutions across the nation.

STUDENT SHARE IN FY 2020



The student share has consistently increased over time due to declines in education appropriations and net tuition revenue increases. In 1980 (the earliest available data), the student share was 20.9%. By 2001 (the start of the modern SHEF data collection and a pre-recession high point in education appropriations), the student share had already increased to 28.9%. In 2020, the U.S. average student share was 44.0%.

1. STATE COMPARISONS

There is wide variation in the student share across states. In 2020, half of all states (25) had a student share above 50%. Two states had a student share above 75%: Delaware (75.9%) and Vermont (84.6%). Conversely, seven states and Washington, D.C., had a student share below 25% (*Figure 4.3*).

From 2019-2020, student share decreased in 39 states and Washington, D.C. However, over the last 10 years, the student share has increased in 41 states—and it has increased in every state except Wyoming since 2001 (*Table 4.3*).

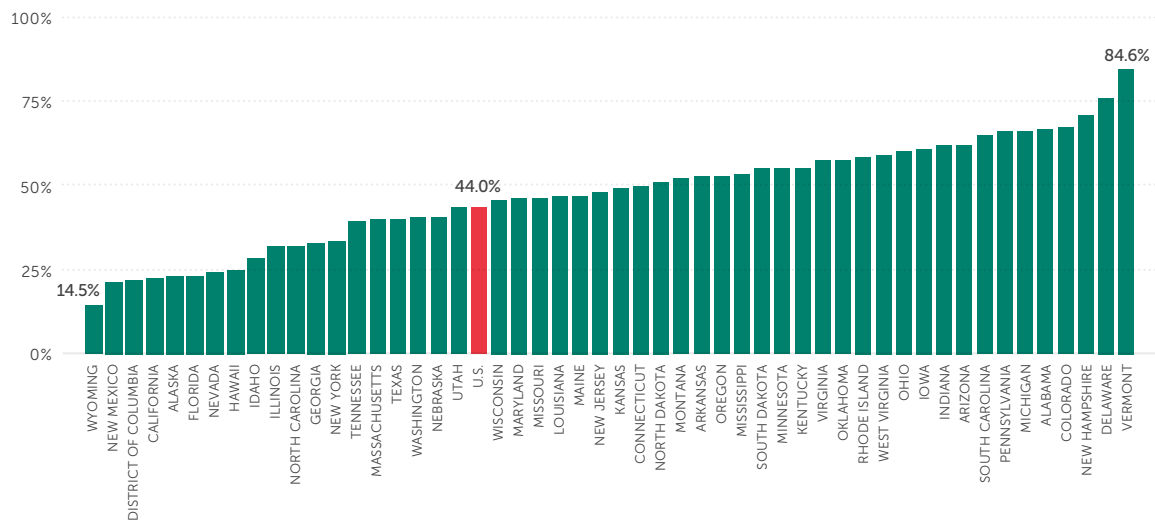
TABLE 4.3
NET TUITION AS A PERCENT OF TOTAL EDUCATION REVENUE BY STATE, FY 1980-2020

	1980	2001	2010	2015	2019	2020	CHANGE SINCE 2019	CHANGE SINCE 2015	CHANGE SINCE 2010	CHANGE SINCE 2001	CHANGE SINCE 1980
ALABAMA	26.7%	42.4%	57.6%	69.1%	69.3%	67.1%	-2.2	-2.1	9.5	24.7	40.4
ALASKA	9.4%	18.2%	22.7%	20.6%	23.2%	23.2%	0.1	2.6	0.5	5.0	13.9
ARIZONA	21.3%	32.8%	42.9%	58.0%	62.4%	62.1%	-0.4	4.1	19.2	29.2	40.8
ARKANSAS	23.5%	26.4%	38.0%	44.8%	48.9%	52.7%	3.7	7.8	14.7	26.3	29.1
CALIFORNIA	7.5%	10.2%	19.3%	24.1%	24.1%	22.7%	-1.4	-1.4	3.4	12.5	15.2
COLORADO	36.6%	41.7%	59.5%	69.6%	69.1%	67.4%	-1.7	-2.2	7.9	25.6	30.7
CONNECTICUT	21.4%	25.4%	33.9%	43.7%	49.5%	50.1%	0.6	6.3	16.1	24.7	28.7
DELAWARE	37.9%	53.9%	65.4%	74.3%	75.3%	75.9%	0.7	1.7	10.5	22.0	38.1
FLORIDA	20.1%	23.4%	26.2%	35.2%	25.0%	23.4%	-1.6	-11.8	-2.7	0.0	3.3
GEORGIA	18.2%	15.1%	24.2%	37.8%	33.7%	33.4%	-0.4	-4.4	9.1	18.3	15.1
HAWAII	8.5%	19.6%	28.0%	32.9%	25.2%	24.9%	-0.2	-8.0	-3.1	5.4	16.4
IDAHO	14.4%	18.9%	26.3%	37.8%	29.7%	28.6%	-1.2	-9.2	2.2	9.6	14.1
ILLINOIS	16.4%	18.6%	31.5%	34.1%	34.2%	31.9%	-2.4	-2.2	0.4	13.2	15.5
INDIANA	27.6%	41.4%	55.8%	62.1%	61.2%	62.0%	0.8	-0.1	6.3	20.6	34.4
IOWA	24.5%	35.2%	53.0%	59.7%	62.6%	61.2%	-1.3	1.5	8.2	26.0	36.7
KANSAS	23.2%	28.4%	45.0%	50.7%	50.7%	49.5%	-1.2	-1.2	4.5	21.0	26.3
KENTUCKY	20.6%	29.8%	41.5%	53.9%	55.4%	55.3%	-0.1	1.4	13.9	25.5	34.7
LOUISIANA	18.5%	26.3%	27.5%	46.5%	47.8%	47.1%	-0.8	0.6	19.6	20.7	28.5
MAINE	32.1%	37.2%	51.4%	51.7%	48.1%	47.3%	-0.8	-4.4	-4.1	10.1	15.1
MARYLAND	26.4%	37.2%	48.0%	49.9%	48.4%	46.6%	-1.8	-3.3	-1.4	9.5	20.3
MASSACHUSETTS	22.8%	29.0%	46.6%	42.7%	40.8%	40.2%	-0.6	-2.5	-6.4	11.2	17.4
MICHIGAN	29.7%	37.7%	60.1%	66.2%	66.3%	66.5%	0.2	0.3	6.5	28.8	36.9
MINNESOTA	18.4%	29.7%	52.7%	57.6%	55.8%	55.2%	-0.6	-2.4	2.5	25.5	36.7
MISSISSIPPI	25.8%	28.1%	38.8%	48.2%	54.6%	53.6%	-1.0	5.4	14.8	25.5	27.8
MISSOURI	22.0%	27.5%	40.2%	49.2%	47.7%	46.7%	-1.1	-2.6	6.5	19.2	24.7
MONTANA	20.8%	42.9%	50.9%	53.0%	54.8%	52.6%	-2.1	-0.3	1.7	9.7	31.8
NEBRASKA	22.3%	32.8%	32.3%	40.3%	41.5%	40.9%	-0.7	0.6	8.6	8.1	18.6
NEVADA	19.0%	22.4%	25.0%	34.6%	24.6%	24.4%	-0.2	-10.2	-0.6	2.0	5.4
NEW HAMPSHIRE	54.3%	65.4%	72.0%	79.1%	77.7%	70.9%	-6.8	-8.2	-1.1	5.5	16.5
NEW JERSEY	19.9%	38.6%	46.4%	56.3%	48.0%	48.6%	0.5	-7.8	2.1	9.9	28.7
NEW MEXICO	16.1%	11.1%	22.7%	25.9%	23.3%	21.9%	-1.4	-4.0	-0.7	10.8	5.8
NEW YORK	19.6%	29.7%	32.5%	36.4%	33.7%	33.9%	0.2	-2.5	1.3	4.2	14.3
NORTH CAROLINA	16.5%	18.9%	24.7%	33.8%	33.1%	32.4%	-0.8	-1.4	7.6	13.4	15.9
NORTH DAKOTA	22.6%	40.4%	48.8%	46.3%	52.2%	51.5%	-0.7	5.3	2.7	11.1	28.9
OHIO	32.8%	40.9%	56.1%	60.4%	59.0%	60.4%	1.3	0.0	4.3	19.5	27.5
OKLAHOMA	19.8%	21.3%	32.4%	44.0%	57.1%	57.6%	0.5	13.7	25.2	36.3	37.8
OREGON	24.8%	35.9%	50.1%	61.6%	56.4%	53.0%	-3.4	-8.7	2.9	17.1	28.1
PENNSYLVANIA	32.0%	48.7%	64.4%	70.3%	68.9%	66.4%	-2.5	-3.9	2.0	17.6	34.3
RHODE ISLAND	23.4%	44.0%	61.5%	62.2%	58.9%	58.6%	-0.3	-3.7	-2.9	14.5	35.2
SOUTH CAROLINA	19.4%	38.1%	57.0%	66.6%	68.6%	64.9%	-3.7	-1.6	7.9	26.8	45.6
SOUTH DAKOTA	27.4%	42.7%	54.5%	59.6%	59.3%	55.1%	-4.2	-4.4	0.6	12.4	27.7
TENNESSEE	22.5%	33.6%	35.9%	48.3%	41.4%	39.4%	-2.0	-8.9	3.5	5.9	16.9
TEXAS	18.6%	34.0%	33.8%	40.7%	41.7%	40.4%	-1.3	-0.3	6.6	6.4	21.8
UTAH	19.9%	26.6%	40.8%	46.1%	45.0%	43.7%	-1.3	-2.4	2.8	17.0	23.7
VERMONT	62.3%	76.1%	82.8%	86.3%	87.1%	84.6%	-2.5	-1.7	1.8	8.5	22.3
VIRGINIA	24.1%	32.3%	53.8%	59.9%	59.0%	57.4%	-1.6	-2.5	3.6	25.1	33.3
WASHINGTON	20.3%	23.6%	34.3%	48.8%	42.1%	40.6%	-1.4	-8.2	6.3	17.1	20.3
WEST VIRGINIA	19.0%	39.2%	53.3%	60.8%	62.8%	59.6%	-3.1	-1.2	6.3	20.4	40.6
WISCONSIN	26.3%	25.8%	38.0%	44.2%	45.7%	45.8%	0.1	1.6	7.7	19.9	19.5
WYOMING	14.0%	21.6%	12.8%	15.0%	17.1%	14.5%	-2.6	-0.5	1.7	-7.1	0.5
U.S.	20.9%	28.9%	39.8%	46.4%	45.0%	44.0%	-1.0	-2.4	4.3	15.1	23.1
D.C.	N/A	N/A	N/A	27.3%	24.6%	22.0%	-2.6	-5.4	N/A	N/A	N/A

NOTES:

- The student share is a measure of the proportion of total education revenue at public institutions coming from net tuition revenue. Net tuition revenue used for capital debt service is included in net tuition revenue, but excluded from total education revenue in calculating the above figures. Total education revenue includes federal stimulus funding.
- Year change columns show percentage point increases or decreases, not percent change.
- The U.S. calculation does not include the District of Columbia. Data for the District of Columbia are not available prior to 2011.
- The years 1980 and 2001 are included in this table because they are the starting points of the historical SHEF dataset and modern SHEF data collection, respectively.

SOURCE: State Higher Education Executive Officers Association

FIGURE 4.3
NET TUITION AS A PERCENT OF TOTAL EDUCATION REVENUE BY STATE, FY 2020

NOTES:

1. The student share is a measure of the proportion of total education revenue at public institutions coming from net tuition revenue. Net tuition revenue used for capital debt service is included in net tuition revenue, but excluded from total education revenue in calculating the above figures. Total education revenue includes federal stimulus funding.

SOURCE: State Higher Education Executive Officers Association

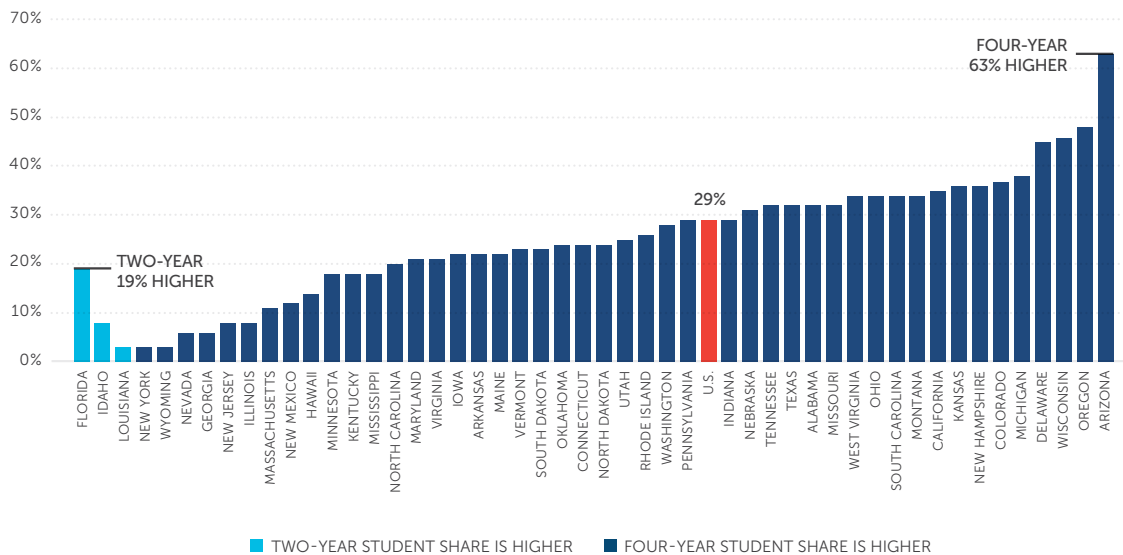
2. SECTOR COMPARISONS



The student share is perhaps the most dramatically different SHEF metric when comparing two- and four-year public institutions. At two-year institutions, the fiscal year 2020 student share was less than a quarter (24.2%); it was over half (53.2%) at four-year institutions (*Table 4.3A*).

- The student share at two-year institutions is generally between about 15% and 50%. Only California (3.1%) has a student share of less than 10%. On the other hand, only two states have a two-year student share greater than 50%: Louisiana (51.4%) and Vermont (65.4%).
- At four-year institutions, student share ranged from 16.9% in Florida to 88.1% in Vermont. In 32 states, the four-year student share is greater than 50%. **In seven states, the four-year student share is greater than 75%: Alabama, Arizona, Colorado, Delaware, Michigan, New Hampshire, and Vermont.**

Figure 4.3A shows the difference between the student share at two- and four-year public institutions for each state. On the figure's left side, the **light blue** bars show states with a higher two-year student share. Most states have a higher four-year student share (the **dark blue** bars). In fact, the four-year student share is greater than the two-year student share in all but three states: Florida, Idaho, and Louisiana. The state with the greatest difference in student share across institution types is Arizona, where the four-year student share of 81.1% is 63.3 percentage points higher than the two-year student share of 17.8%.

FIGURE 4.3A
DIFFERENCE IN TWO-YEAR AND FOUR-YEAR NET TUITION AS A PERCENT OF TOTAL EDUCATION REVENUE BY STATE, FY 2020

NOTES:

- The student share is a measure of the proportion of total education revenue at public institutions coming from net tuition revenue. Net tuition revenue used for capital debt service is included in net tuition revenue, but excluded from total education revenue in calculating the above figures.
- The U.S. calculation does not include the District of Columbia. There are no two-year public institutions in Alaska or the District of Columbia.
- Sector is determined at the institution level using the Carnegie Basic Classification (<https://carnegieclassifications.iu.edu>). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.

SOURCE: State Higher Education Executive Officers Association

STATE SPOTLIGHT: CALIFORNIA


National trends in the two-year student share are greatly impacted by California, which enrolls roughly 20% of the nation's two-year enrollment. California dampens national two-year trends in two ways.

First, California has the lowest two-year student share by far, with student tuition revenue comprising only 3.1% of total education revenue. California's low student share is due primarily to the state having among the lowest community college tuition charges in the nation and its practice of waiving tuition for low-income students. Excluding California from the data increases the national two-year student share from 24.1% to 30.2%.

Second, in stark contrast to most other states facing increases in student share, California's student share at two-year public institutions has declined 1.4 percentage points since 2001. The decline in California's student share is due to recent increases in state-funded financial aid for living costs that have more than made up for the rise in gross tuition revenue.

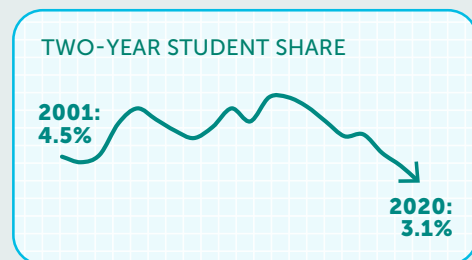


TABLE 4.3A
NET TUITION AS A PERCENT OF TOTAL EDUCATION REVENUE BY SECTOR AND STATE, FY 2019-2020

	TWO-YEAR STUDENT SHARE				FOUR-YEAR STUDENT SHARE			
	2019	2020	INDEX TO U.S. AVERAGE	CHANGE SINCE 2019	2019	2020	INDEX TO U.S. AVERAGE	CHANGE SINCE 2019
ALABAMA	46.2%	43.6%	1.80	-2.6	76.9%	75.5%	1.42	-1.4
ALASKA	N/A	N/A	N/A	N/A	23.2%	23.3%	0.44	0.1
ARIZONA	18.3%	17.8%	0.74	-0.5	81.5%	81.1%	1.52	-0.4
ARKANSAS	36.9%	38.3%	1.58	1.4	53.7%	60.5%	1.14	6.8
CALIFORNIA	4.0%	3.1%	0.13	-0.9	41.6%	38.3%	0.72	-3.3
COLORADO	41.7%	38.6%	1.59	-3.1	77.1%	75.8%	1.43	-1.3
CONNECTICUT	38.7%	37.6%	1.55	-1.1	59.2%	61.7%	1.16	2.4
DELAWARE	39.0%	37.1%	1.53	-1.9	81.7%	82.1%	1.54	0.4
FLORIDA	36.6%	35.4%	1.46	-1.2	18.6%	16.9%	0.32	-1.7
GEORGIA	30.9%	31.3%	1.29	0.4	38.4%	37.6%	0.71	-0.8
HAWAII	19.0%	18.6%	0.77	-0.4	31.9%	32.2%	0.61	0.3
IDAHO	40.2%	38.6%	1.59	-1.6	31.5%	30.3%	0.57	-1.2
ILLINOIS	31.0%	26.7%	1.10	-4.3	36.4%	34.9%	0.66	-1.5
INDIANA	38.3%	37.7%	1.56	-0.6	65.8%	66.7%	1.25	1.0
IOWA	48.7%	46.2%	1.91	-2.6	68.8%	68.0%	1.28	-0.8
KANSAS	25.3%	25.3%	1.05	0.0	63.0%	61.4%	1.15	-1.6
KENTUCKY	44.4%	41.9%	1.73	-2.5	59.2%	59.5%	1.12	0.3
LOUISIANA	52.1%	51.4%	2.12	-0.8	49.0%	48.6%	0.91	-0.4
MAINE	30.7%	29.7%	1.23	-0.9	52.9%	52.0%	0.98	-0.9
MARYLAND	33.6%	32.2%	1.33	-1.4	55.2%	53.1%	1.00	-2.1
MASSACHUSETTS	32.2%	32.0%	1.32	-0.2	43.9%	43.3%	0.81	-0.6
MICHIGAN	39.4%	39.1%	1.61	-0.3	74.3%	77.1%	1.45	2.7
MINNESOTA	44.5%	43.8%	1.81	-0.8	61.5%	61.3%	1.15	-0.3
MISSISSIPPI	42.8%	42.1%	1.74	-0.7	61.5%	60.3%	1.13	-1.2
MISSOURI	25.0%	21.2%	0.87	-3.8	53.9%	53.5%	1.01	-0.4
MONTANA	24.0%	22.1%	0.91	-1.9	58.4%	56.3%	1.06	-2.1
NEBRASKA	20.3%	18.6%	0.77	-1.6	50.1%	49.7%	0.93	-0.4
NEVADA	19.3%	19.9%	0.82	0.6	26.0%	25.5%	0.48	-0.5
NEW HAMPSHIRE	52.8%	46.4%	1.92	-6.3	84.0%	82.7%	1.55	-1.3
NEW JERSEY	42.8%	42.3%	1.75	-0.5	49.2%	49.9%	0.94	0.7
NEW MEXICO	15.8%	14.7%	0.61	-1.0	28.0%	26.4%	0.50	-1.6
NEW YORK	32.0%	32.3%	1.33	0.2	34.7%	34.9%	0.66	0.3
NORTH CAROLINA	18.8%	18.3%	0.76	-0.4	39.5%	38.8%	0.73	-0.7
NORTH DAKOTA	34.2%	33.1%	1.37	-1.1	57.7%	57.4%	1.08	-0.3
OHIO	33.5%	32.6%	1.35	-0.9	65.3%	66.6%	1.25	1.4
OKLAHOMA	41.6%	39.1%	1.62	-2.5	61.9%	63.0%	1.18	1.1
OREGON	30.1%	22.0%	0.91	-8.1	71.7%	70.1%	1.32	-1.6
PENNSYLVANIA	45.3%	43.3%	1.79	-2.0	73.7%	71.9%	1.35	-1.8
RHODE ISLAND	47.5%	48.1%	1.99	0.6	73.6%	73.8%	1.39	0.2
SOUTH CAROLINA	42.4%	39.7%	1.64	-2.6	76.7%	73.8%	1.39	-2.9
SOUTH DAKOTA	40.6%	38.6%	1.59	-2.0	64.2%	61.8%	1.16	-2.4
TENNESSEE	17.3%	17.6%	0.73	0.3	51.3%	49.2%	0.93	-2.1
TEXAS	24.0%	21.8%	0.90	-2.2	53.0%	53.4%	1.00	0.4
UTAH	24.2%	22.7%	0.94	-1.5	49.5%	48.1%	0.90	-1.4
VERMONT	65.4%	65.4%	2.70	-0.1	88.5%	88.1%	1.66	-0.4
VIRGINIA	45.1%	41.8%	1.73	-3.3	64.6%	63.3%	1.19	-1.3
WASHINGTON	20.4%	23.2%	0.96	2.8	46.9%	51.1%	0.96	4.1
WEST VIRGINIA	36.5%	32.0%	1.32	-4.5	68.8%	65.8%	1.24	-3.0
WISCONSIN	19.8%	16.9%	0.70	-2.8	62.1%	62.5%	1.18	0.4
WYOMING	13.6%	14.8%	0.61	1.2	20.2%	17.5%	0.33	-2.7
U.S.	25.3%	24.2%	1.00	-1.1	53.8%	53.2%	1.00	-0.6
D.C.	N/A	N/A	N/A	N/A	24.6%	22.0%	41.0%	-260.0%

NOTES:

- The student share is a measure of the proportion of total education revenue at public institutions coming from net tuition revenue. Net tuition revenue used for capital debt service is included in net tuition revenue, but excluded from total education revenue in calculating the above figures.
- Year change columns show percentage point increases or decreases, not percent change.
- The U.S. calculation does not include the District of Columbia. There are no two-year public institutions in Alaska or the District of Columbia.
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SOURCE: State Higher Education Executive Officers Association

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