

Summary of 2011-13 Higher Education Operating and Capital Budgets

Higher Education Coordinating Board
June 30, 2011

Summary of 2011-13 higher education operating and capital budgets

Context

- Last fall, the HECB recommended a \$5.2 billion budget for higher education, terming it “**survival budget.**”
- At the close of session, the Legislature approved a 2011-13 budget totaling **\$4.985 billion.**
- Although the total budget approved is only slightly less than the HECB’s initial recommendation, the 2011-13 budget represented a **significant shift** in state funding for higher education.

Highlights of 2011-13 higher education operating and capital budgets

*Higher education received a smaller slice
of a smaller state budget pie.*

Total GFS appropriations

- \$32.2 billion, or about 3.5 percent less than the 2007-09 benchmark of \$33.4 billion.

Total higher education GFS appropriations

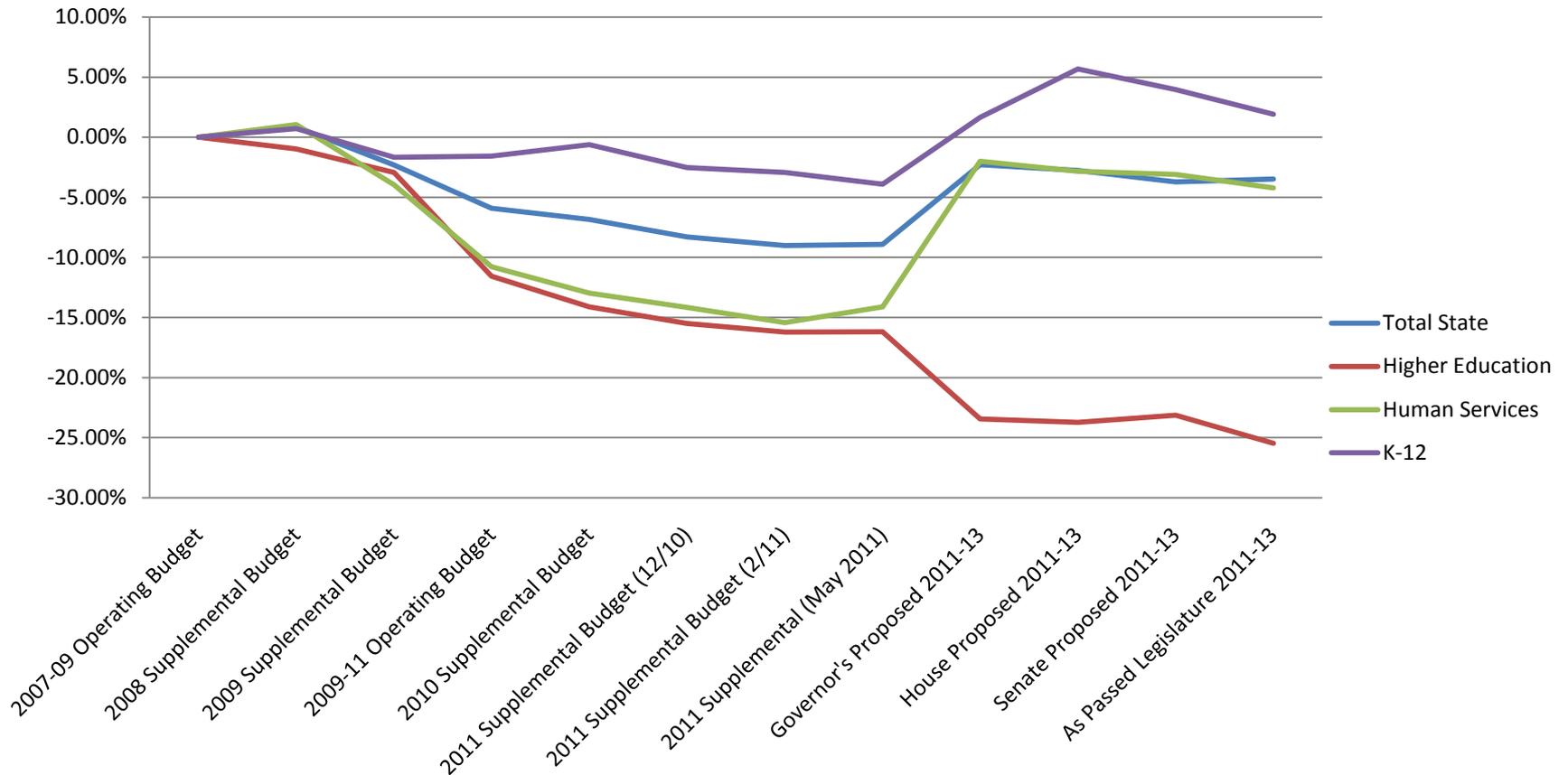
- \$2.8 billion, or about 24 percent less than the 2007-09 benchmark of \$3.7 billion.

Percent of GSF appropriations

- In 2007-09, Higher Education received 11.1 percent of the GFS budget. In 2011-13 it will receive 8.5 percent.

Highlights of 2011-13 higher education operating and capital budgets

Major Budget Components by Percent Change
 in General Fund Appropriations 2007-09 through 2011-13



Highlights of 2011-13 higher education operating and capital budgets

Large tuition increases were approved to partly offset reductions in state support

- Despite the 24 percent reduction in state support, the total higher education budget approved wound up only slightly less than originally recommended by the HECB.
- However, tuition now accounts for:
 - **61% of the research institution budgets**
 - **63% of the comprehensive budgets**
 - **36% of the CTC budgets**

Highlights of 2011-13 higher education operating and capital budgets

Assumed tuition increases were significant ...

UW, WSU, WWU **16% per year**

CWU, TESC **14% per year**

CTCs **12% per year**

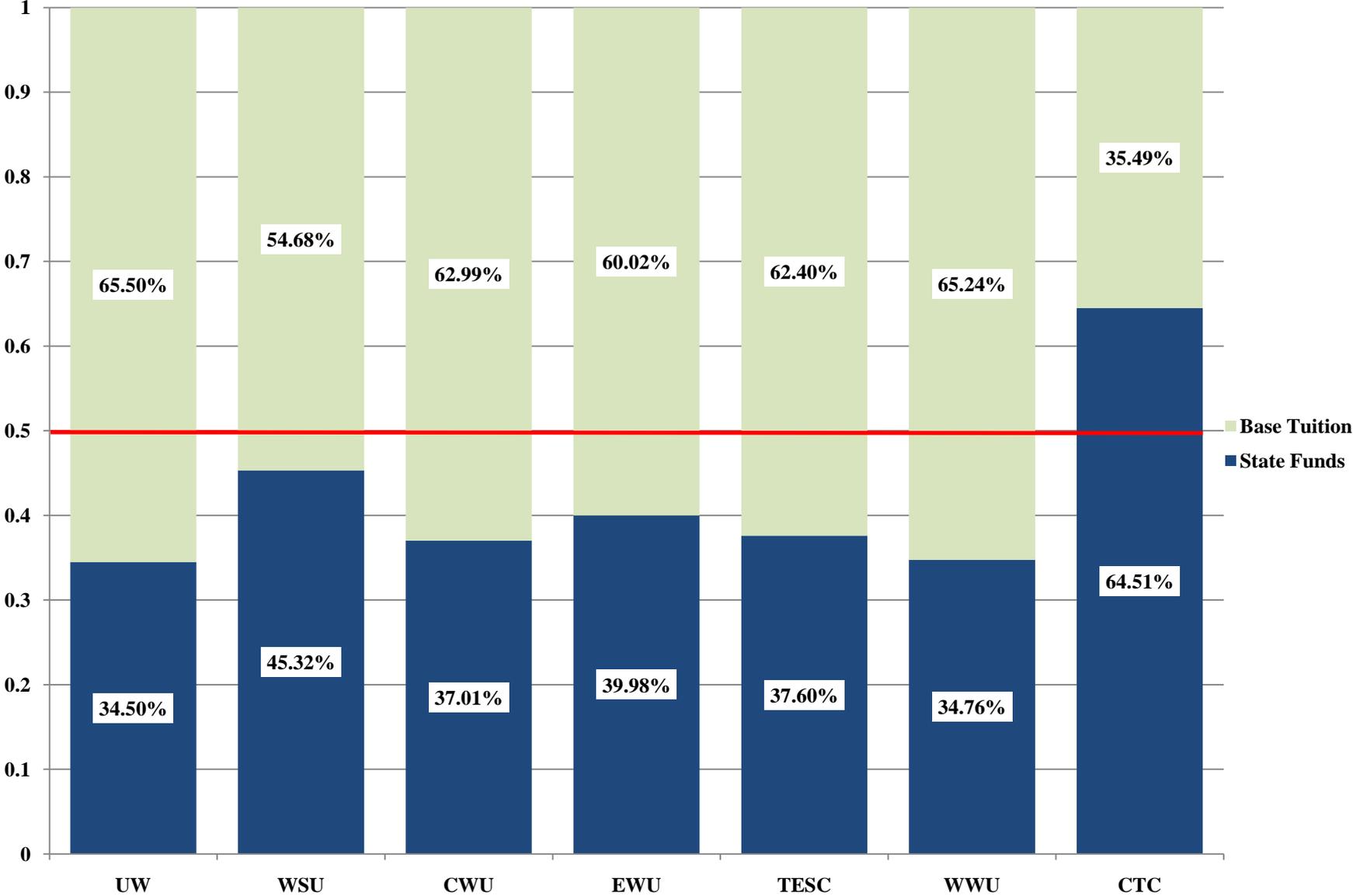
EWU **11% per year**

*... and legislation was passed allowing
the institutions to exceed these
assumed tuition increases**

*Institutions are now required to set aside 4 to 5 percent of these annual tuition increases for financial aid

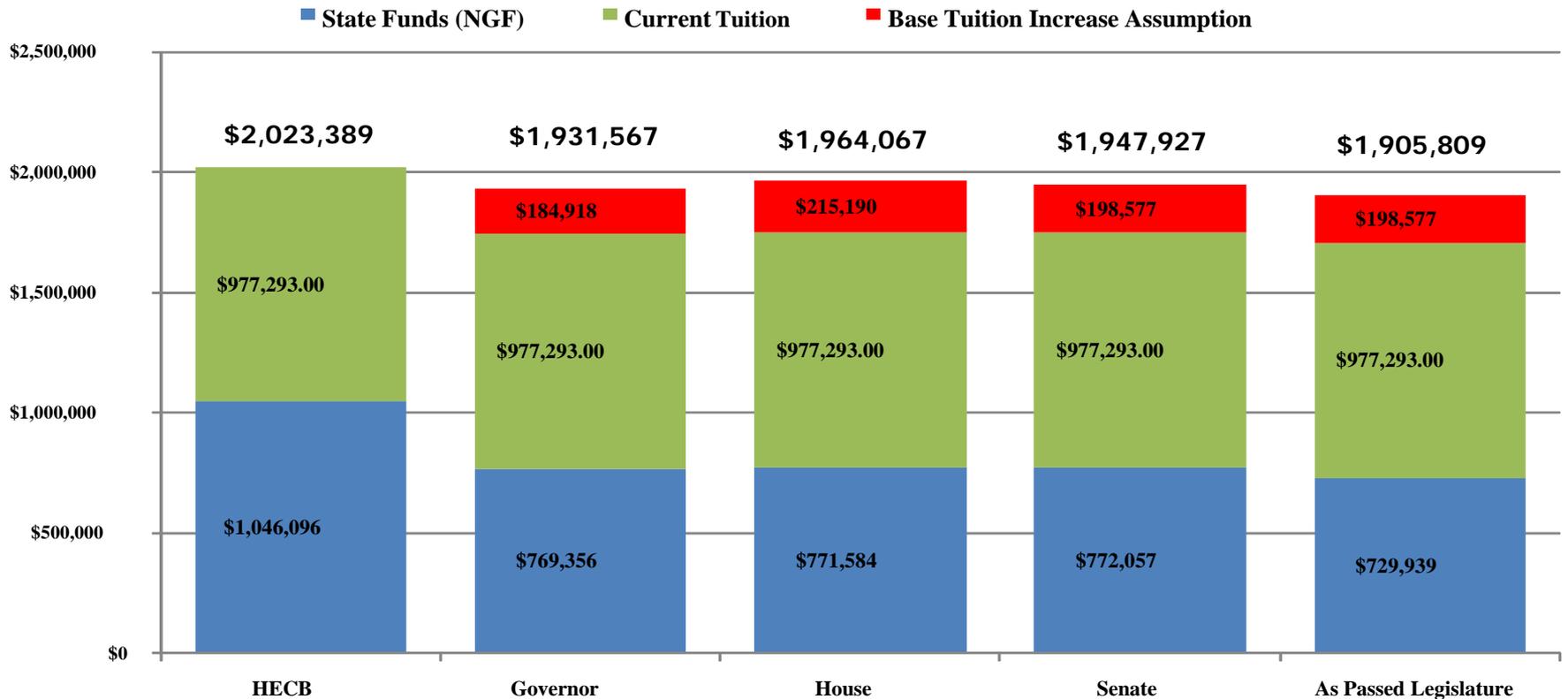
2011-13 Higher Education Operating Budget

State Funds and (Base) Tuition Revenue as Percent of Institutional Budget



Highlights of 2011-13 higher education operating and capital budgets

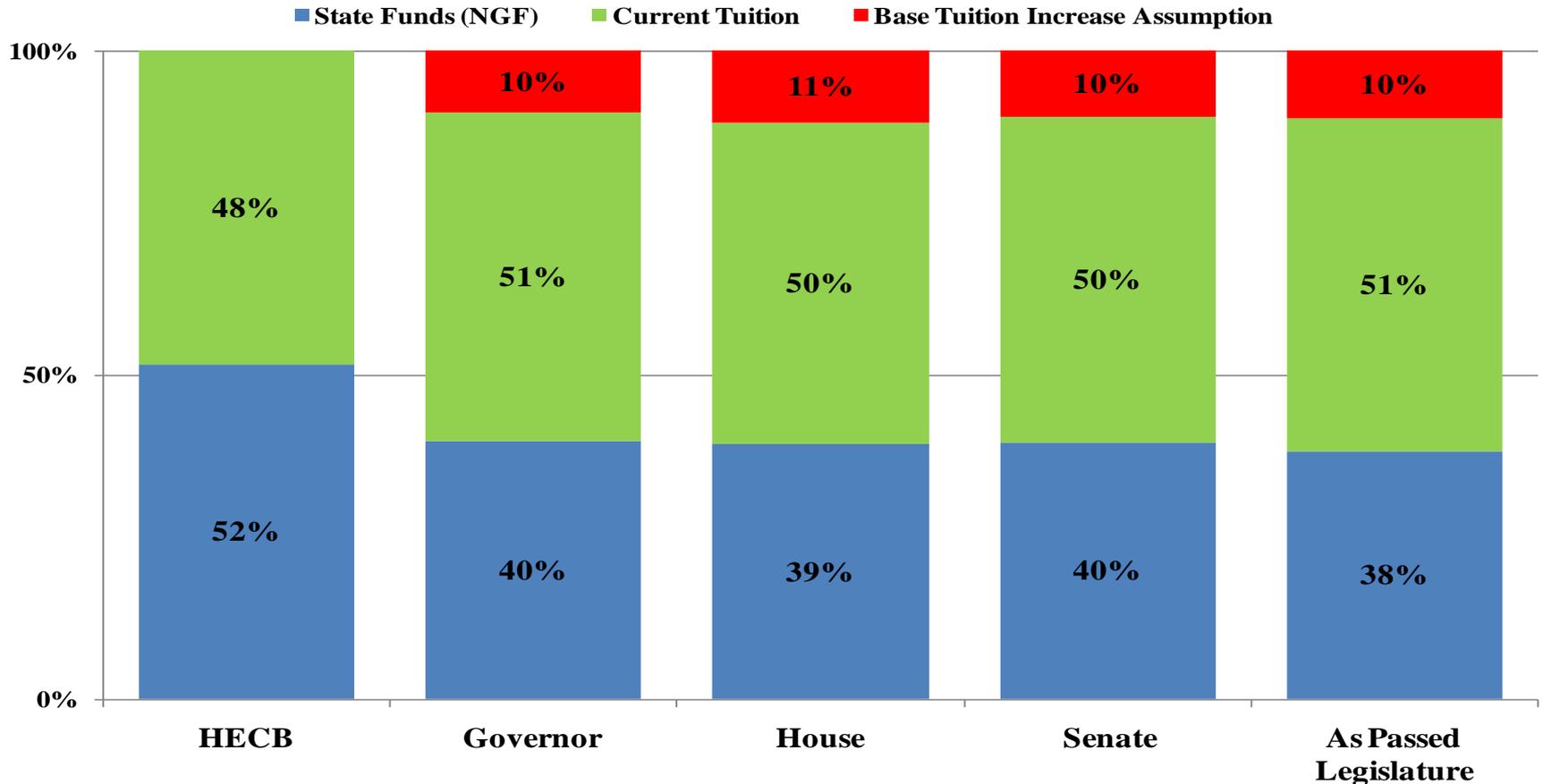
Illustration 2
Research Institutions
 Proposed and Adopted Operating Budget by Revenue Source



Highlights of 2011-13 higher education operating and capital budgets

Illustration 3

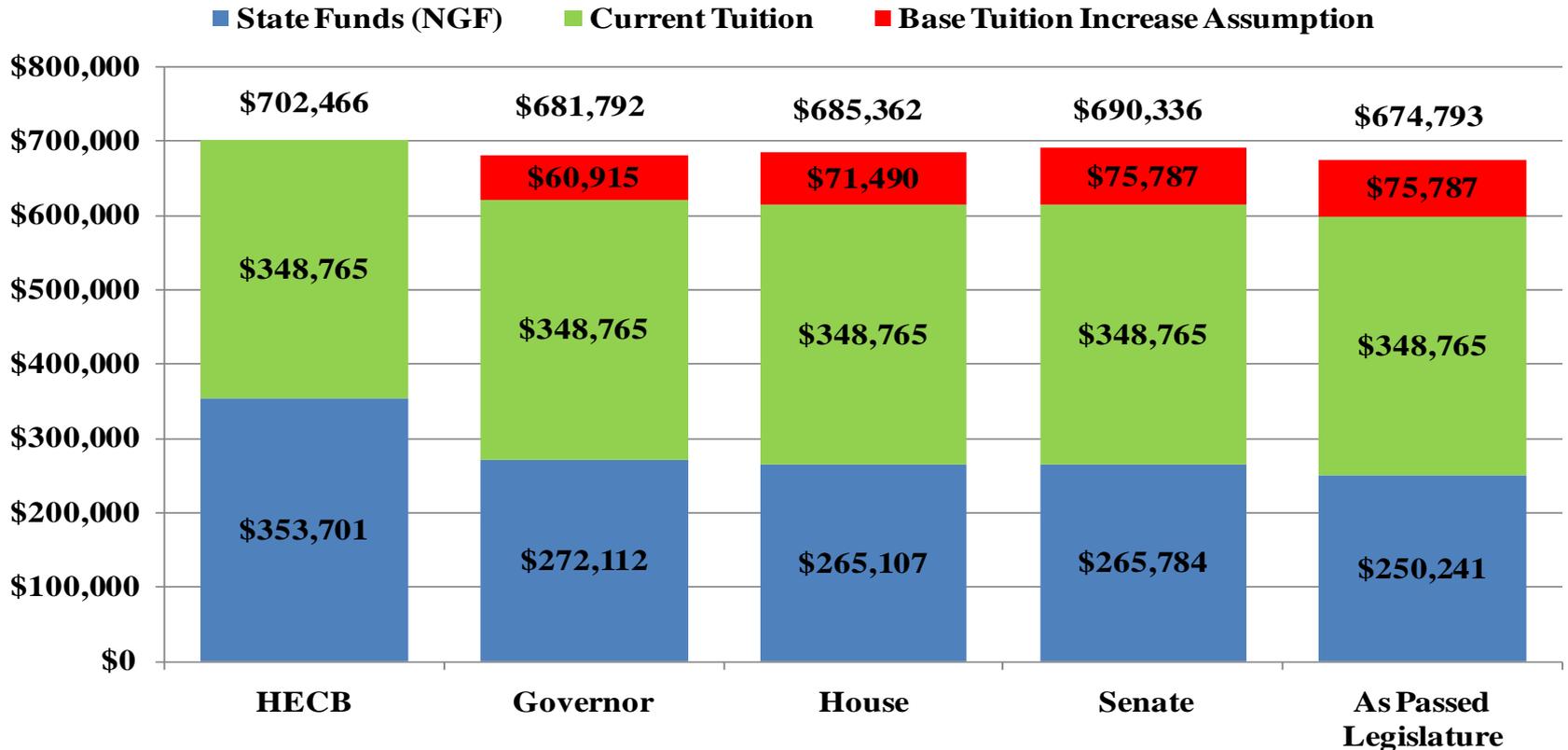
Research Institutions Fund Sources as a Percent of Budget



Highlights of 2011-13 higher education operating and capital budgets

Illustration 4

Comprehensive Institutions Proposed and Adopted Operating Budget by Revenue Source *(dollars in thousands)*

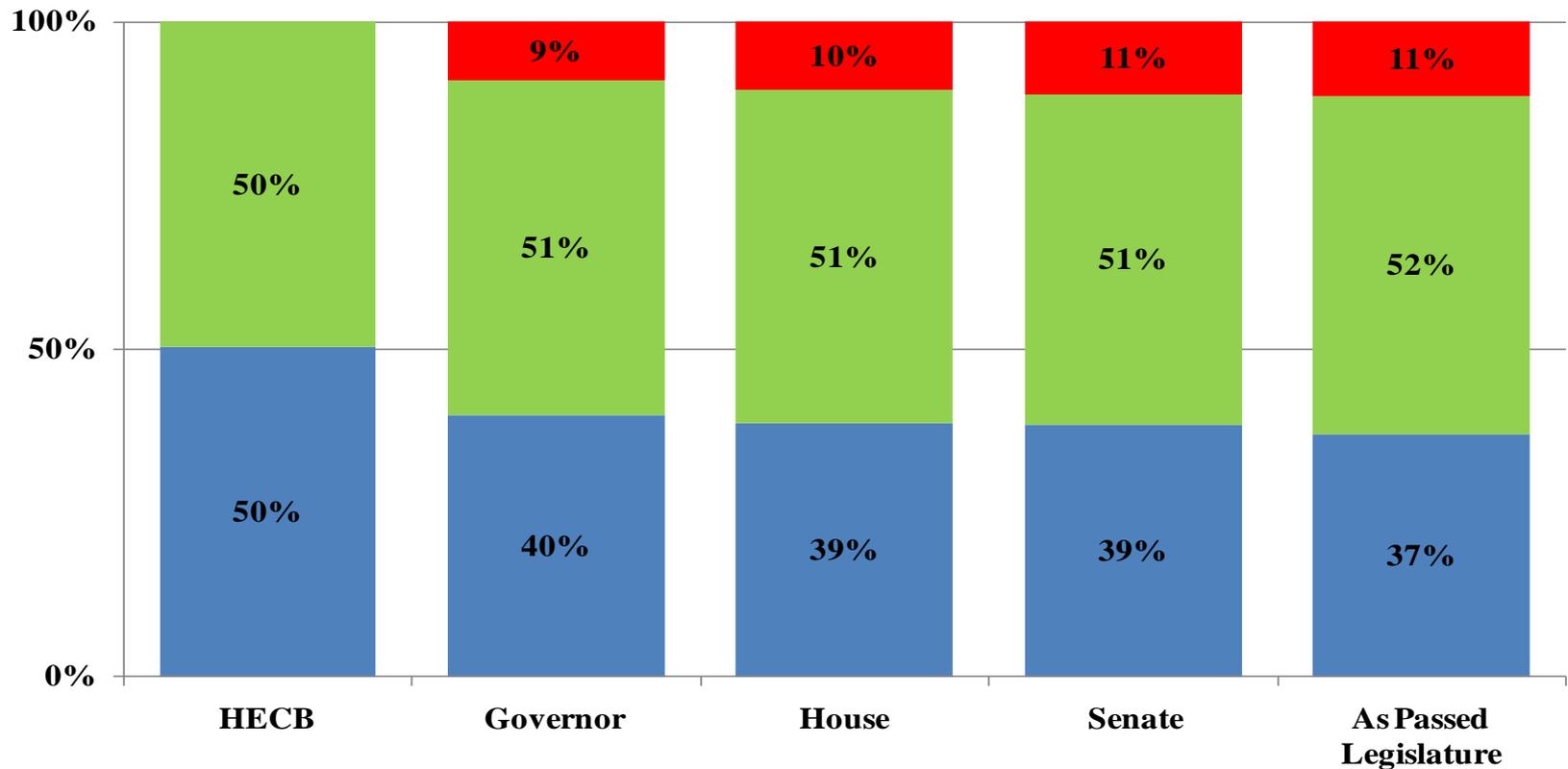


Highlights of 2011-13 higher education operating and capital budgets

Illustration 5

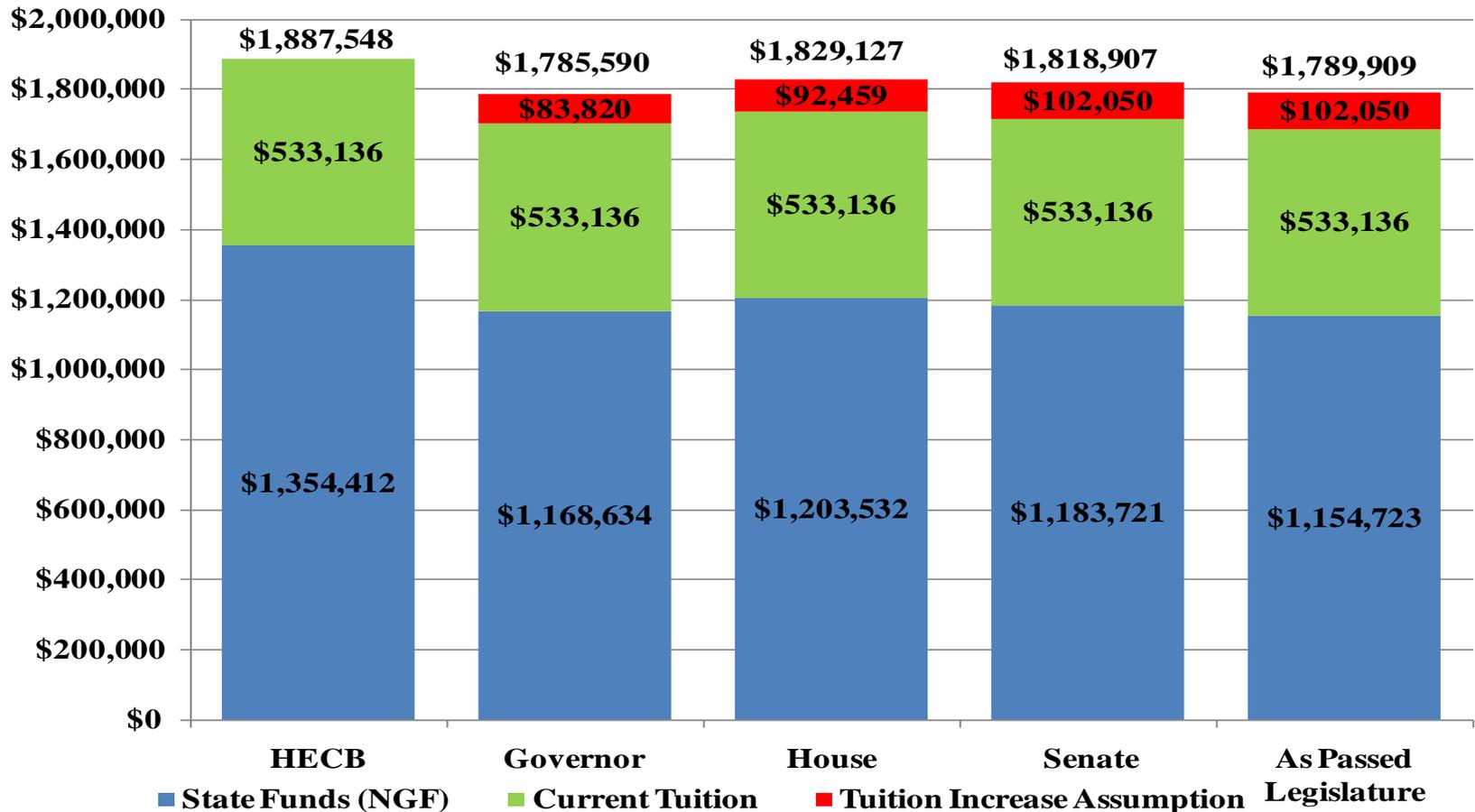
Comprehensive Institutions Fund Sources as a Percent of Budget

■ State Funds (NGF) ■ Current Tuition ■ Base Tuition Increase Assumption



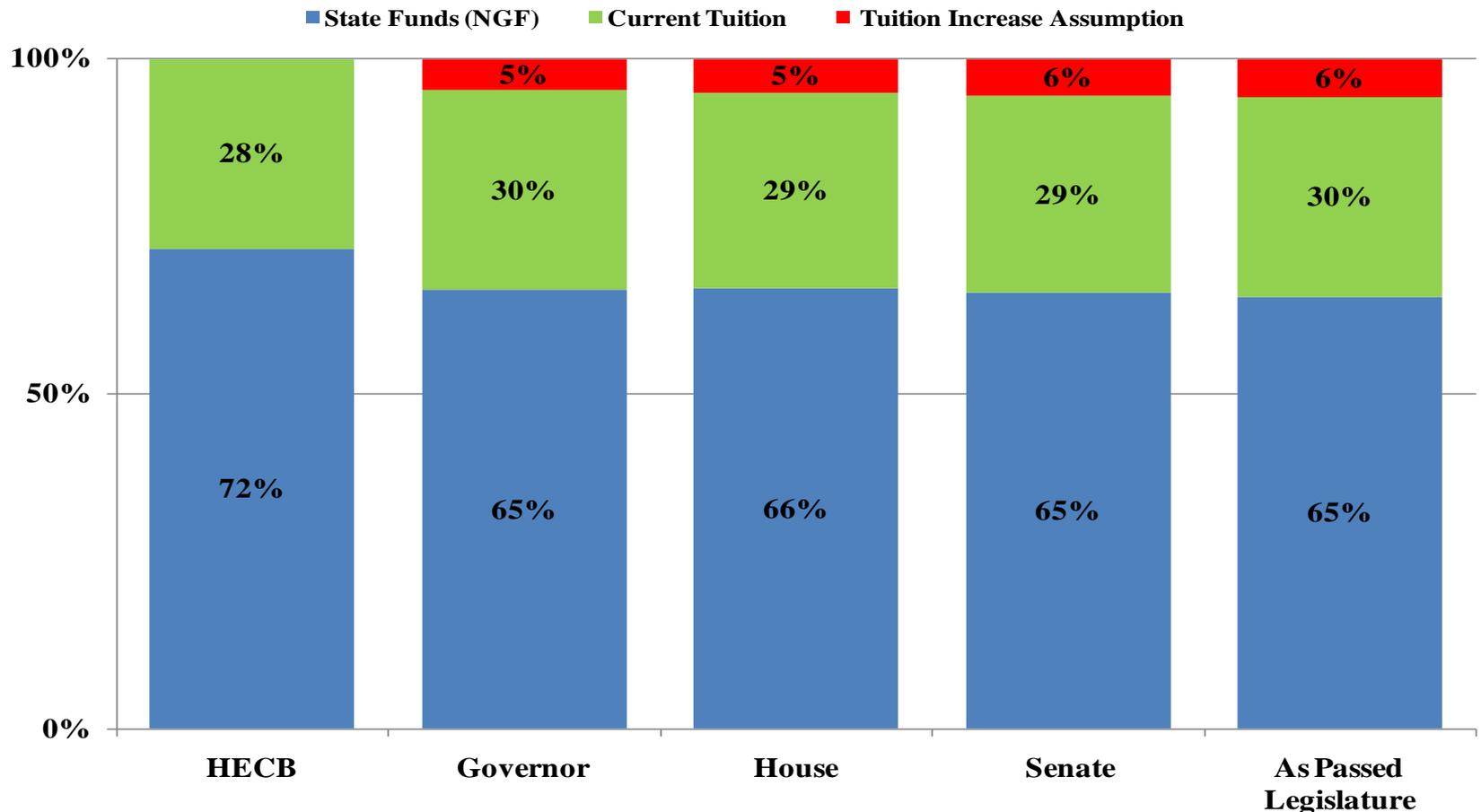
Highlights of 2011-13 higher education operating and capital budgets

Illustration 6
Community and Technical Colleges
Proposed and Adopted Operating Budget by Revenue Source
(dollars in thousands)



Highlights of 2011-13 higher education operating and capital budgets

Illustration 7
Community and Technical Colleges
Fund Sources as a Percent of Budget



Highlights of 2011-13 higher education operating and capital budgets

In an attempt to mitigate increased tuition costs for low-income families and students, the Legislature:

- **Added \$106 million to the State Need Grant to reach a total of \$303 million for 2011-13***
- **Included \$500,000 in the SNG appropriation for less-than-half-time students**
- **Provided \$15.6 million for State Work Study, a two-thirds reduction from the program's proposed base funding of \$45.5 million**

*About 27,000 who qualify for a SNG will not receive one.