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## **Michigan cut support for public universities by \$827 per student this year, down by \$2,312 since 2001**

State support to Michigan's universities dropped by \$827 per student this year, part of a long-term trend of cutting state support for higher education that has seen per student support cut by \$2,312 since 2001.

In 2001, state per student state support for higher education was \$6,869. That had dropped to \$5,404 for the 2010-11 fiscal year, and now it is down to \$4,577 for the 2012 fiscal year, according to data from the House Fiscal Agency. If state support had increased at the rate of inflation since 2001, it would now be at \$8,421 per student.

Meanwhile, the report shows, tuition increased from an average of \$9,775 to \$10,416 for 2011-12 school, an increase of \$641, leaving a net cut in operational spending of \$186 per student.

The report shows that Michigan state government today is providing on average just 21.9 percent of the cost of a public university education, a record low. In 1987, the state provided 60 percent of support for an average student. If the state provided 60 percent today, as it did when the parents of many college students were attending universities, tuition would be about \$3,700 a year less – saving families nearly \$15,000 over a four year college career.

The House Fiscal Agency report reveals the impact of the massive 15 percent cut in state funding for the current academic year, the latest cut in a decade that saw Michigan slash higher education spending by more than 30 percent while enrollment was increasing. Michigan today is one of just four states that spend more on state prisons than on state universities, and is among the five lowest in per student support for higher education, according to data from the State Higher Education Finance web site.

“State budget cuts have amounted to a massive hidden tax on families sending students to college,” said Michael A. Boulus, executive director of the Presidents Council State Universities of Michigan. “Michigan’s universities have managed to maintain their high quality despite state cuts due to efficient locally driven operations, decisions to eliminate some departments and operations and reallocated money, and increases in internally

developed financial aid. But it is difficult to see how high quality institutions can be sustained if the Legislature continues cutting state support.”

State funding for higher education has dropped this decade, at a time when the best indicator of a state's prosperity (per capita income) is highly dependent on the percentage of college educated residents in the state. Meanwhile, enrollment and the number of college degrees granted are at record levels.

The report notes that enrollment is expected grow again this year, despite the dramatic cut in state support that forced universities to raise tuition. “Fiscal year equated student enrollment is projected to increase by 0.5 percent, from 262,838 in FY 2010-11 to 263,777 in FY 2011-12,” the report states.

“Enrollment increases prove that students in Michigan and from around the world are willing to pay for high quality educational opportunities,” Boulus said. “Our universities compete for the best and the brightest and win, keeping great Michigan minds in our state and attracting some of the smartest, most innovative young people. Some state lawmakers want universities to become mediocre by cutting spending. Michigan university leaders are committed to providing the best – not average – educational opportunities to our students, because we believe our businesses and our economy require the best – not average – graduates to make Michigan great again.”

*The Presidents Council, State Universities of Michigan serves as a forum for the presidents and chancellors of the Michigan 15 public universities to discuss and frame positions on key higher education finance and policy issues.*