WHAT HAPPENS WHEN STATES CUT FUNDING TO PUBLIC INSTITUTIONS AND STUDENT FINANCIAL AID?

CUTS IN STATE FUNDING TO PUBLIC INSTITUTIONS LEAD TO:

- **INSTITUTIONAL REVENUE DECLINES**
  - Doctoral institutions raise alternative revenues like tuition (when possible) and target out-of-state and international enrollments.
  - Other four-year institutions and community colleges respond by cutting expenditures on instruction, academic support, and student services.

- **ENROLLMENT IMPACTS**
  - In-state undergraduate enrollment declines.
  - Students move from public to for-profit institutions.
  - At more selective four-year institutions, out-of-state enrollment increases.

- **GRADUATION & COMPLETION DECLINES**
  - Graduation rates at four-year colleges decline.
  - Fewer degrees and certificates are awarded across public institutions.
  - Statewide bachelor’s degree attainment declines.

CUTS IN STATE FUNDING TO FINANCIAL AID LEAD TO:

- **ENROLLMENT IMPACTS**
  - Impacts vary by program design with cuts to simple and more universal programs likely leading to decreased enrollment.
  - Students enroll in less expensive institutions.
  - Students may be more likely to enroll out of state.

- **PERSISTENCE & COMPLETION DECLINES**
  - Students are less likely to persist and graduate.
  - Students who do graduate may take longer to do so.
  - Students with financial need are disproportionately impacted.

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