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STATE HIGHER EDUCATION EXECUTIVE OFFICERS ASSOCIATION

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State Higher Education Equity Funding Research Announcement & Request for Proposals

The State Higher Education Executive Officers Association's (SHEEO) primary mission is to promote 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. Central to that mission is equipping states with the skills and information to act when and where necessary. One area that presently requires attention and action is the analysis of equitable funding to public institutions of higher education.

While there is a deep pool of literature on state higher education funding, much of this research focuses on the determinants of changes in funding levels. Researchers have recently begun expanding this research base to include a more focused equity lens, but there is still much we do not know, especially on the topics of funding adequacy and equity. In 2021, SHEEO published a [literature review](#) and analysis of prior research looking at the impacts of state funding, total revenue, and student financial aid on student outcomes. Ultimately, we found that increasing funding to public institutions results in additional enrollments, higher retention and graduation rates, additional degree and certificate completions, and higher statewide degree attainment.¹ With generous support from the Joyce Foundation, SHEEO is issuing this Request for Proposals (RFP) to fund research projects that investigate inequities and adequacy in higher education funding. The immediate goal of these research projects is to advance understanding of equity-based funding, define funding adequacy and inequitable funding, and provide states with actionable, evidence-based solutions to help close equity gaps in public institution funding.

Background

State funding for higher education is largely determined based on prior year allocations, yet the funding structures in most states were set up decades ago and reflect the states' perceptions of institutional political power and lobbying capacity more than the needs of students or institutions. In many states, inequities across institution types are inherent in the state funding structure and can be very difficult to change. While variation in funding levels across institutions is not necessarily a concern, the reasons behind such stratification are important to consider, especially as research shows that students of color

¹ Cummings, K., Laderman, S., Lee, J., Tandberg, D., & Weeden, D. (2021). *Investigating the impacts of state higher education appropriations and financial aid*. State Higher Education Executive Officers Association. https://sheeo.org/wp-content/uploads/2021/05/SHEEO_ImpactAppropriationsFinancialAid.pdf

and low-income students are disproportionately likely to attend poorly resourced institutions,^{2,3,4,5,6} and states are disproportionately likely to cut funding to higher education when students of color grow as a portion of the total state population.^{7,8} Potentially inequitable variations in state funding are particularly important in light of evidence that state funding levels directly affect student outcomes.^{9,10,11,12,13,14}

In recent years, states have adjusted their higher education funding policies to be more equitable by including equity metrics in performance-based funding (PBF) formulas. However, the inclusion of these metrics may only correct for the inequities a PBF formula would otherwise lead to, rather than restructuring all higher education funding to be awarded more equitably. Likewise, the impact of these equity metrics has been mixed.^{15,16,17} Regardless, for states interested in ensuring an equitable distribution of state funding, PBF is not the only place where we should consider equity in higher education finance; in most states, PBF is a small proportion of total state appropriations and makes up just a portion of the overall funding puzzle.¹⁸

State policymakers need to fundamentally reconsider how they fund higher education. This reconsideration must include an analysis of the needs and missions of each public institution of higher education in their state, as well as the students they serve, compared to state and local funding and the total educational and general revenues available to each institution. Considering these fundamental components of higher education funding can contribute to the removal of structural barriers embedded in various educational systems that exacerbate inequities among students of various ethnicities/races and socioeconomic statuses.

² Ahlman, L. (2019). *Dire disparities: Patterns of racially inequitable funding and student success in public postsecondary education*. The Institute for College Access & Success. <https://ticas.org/affordability-2/dire-disparities-patterns-of-racially-inequitable-funding-and-student-success-in-public-postsecondary-education/>

³ Garcia, S. (2018). Gaps in college spending shortchange students of color. *Center for American Progress*. <https://cdn.americanprogress.org/content/uploads/2018/04/03090823/Gaps-in-College-Spending-brief.pdf>

⁴ Mugglestone, K., Dancy, K., & Voight, M. (2019). *Opportunity lost: Net price and equity at public flagship institutions*. Institute for Higher Education Policy. <https://www.ihep.org/publication/opportunity-lost-net-price-and-equity-at-public-flagship-institutions/>

⁵ Taylor, B. J., & Cantwell, B. (2019). *Unequal higher education: Wealth, status, and student opportunity*. Rutgers University Press.

⁶ Taylor, B. J., Cantwell, B., Watts, K., & Wood, O. (2020). Partisanship, white racial resentment, and state support for higher education. *The Journal of Higher Education*, 91(6). <https://doi.org/10.1080/00221546.2019.1706016>

⁷ Foster, J. M., & Fowles, J. (2018). Ethnic heterogeneity, group affinity, and state higher education spending. *Research in Higher Education*, 58(1).

⁸ Hillman, N. (2020). Why rich colleges get richer and poor colleges get poorer: The case for equity-based funding in higher education. *Third Way*. <https://www.thirdway.org/report/why-rich-colleges-get-richer-poor-colleges-get-poorer-the-case-for-equity-based-funding-in-higher-education>

⁹ Bound, J., Braga, B., Khanna, G., & Turner, S. (2019). Public universities: The supply side of building a skilled workforce. *RSF: The Russell Sage Foundation Journal of the Social Sciences*, 5(5), 43-66.

¹⁰ Deming, D., & Dynarski, S.M. (2010). College aid. In P.B. Levine & D.J. Zimmerman (Eds.), *Targeting investments in children: Fighting poverty when resources are limited* (pp. 283-302). University of Chicago Press.

¹¹ Titus, M. A. (2009). Bachelor's degree productivity X-inefficiency: The role of state higher education policy. *Journal of College Student Retention: Research, Theory & Practice*, 11(1), 7-32.

¹² Trostel, P. A. (2010). The fiscal impacts of college attainment. *Research in Higher Education*, 51(3), 220-247. <https://doi.org/10.1007/s11162-009-9156-5>

¹³ Zhang, L. (2009). Does state funding affect graduation rates at public four-year colleges and universities? *Educational Policy*, 23(5), 714-731.

¹⁴ Zhao, B. (2018). *Disinvesting in the future? A comprehensive examination of the effects of state appropriations for public higher education*. Federal Reserve Bank of Boston: New England Public Policy Center.

¹⁵ Gándara, D. & Rutherford, A. Mitigating unintended impacts? The effects of premiums for underserved populations in performance-funding policies for higher education. *Research in Higher Education*.

¹⁶ Ortagus, J. C., Rosinger, K., Kelchen, R., Voorhees, N., Chu, G., & Allchin, H. (2023). A national analysis of the impact of performance-based funding on completion outcomes among underserved students. *The Review of Higher Education*.

¹⁷ Rosinger, K. O., Ortagus, J., Kelchen, R., Cassell, A., & Brown, L. (2021). *New evidence on the evolution and landscape of performance funding for higher education*. InformEd States. https://policy-lab.squarespace.com/s/InformEdStates_Paper_EvidenceofPerformanceFunding.pdf

¹⁸ Laderman, S., Brown, L.C., & Kunkle, K. (2022). *Contextualizing performance-based funding: Differences in state policies and potential impacts to research*. Paper accepted for the Association for the Study of Higher Education Annual Conference, Las Vegas, NV.

Submission Process

SHEEO seeks to fund six research projects at \$10,000 each through this RFP. Awardees will receive these dollars directly as an honorarium, and they may seek funding from other sources to supplement the funds. Each project will consist primarily of an empirical research paper with an abstract and an executive summary. SHEEO is coordinating a learning community of states dedicated to exploring equitable funding. Once the research projects are complete, researchers will present their findings to the learning community to directly connect academic research to state practitioners. Awardees might also be expected to present their findings to funding partners. Successful proposals will identify research that promises to advance the work of the learning community, has immediate relevance for expanding the field's knowledge around equitable and adequate funding for public institutions, and meets traditional academic standards for quality and rigor.

Proposals

For full consideration, please submit a single-spaced proposal that does not exceed 2,000 words with 12-point font and 1-inch margins on all sides. The proposal should, at a minimum, include the following sections:

- *Objectives & purpose.* This should consist of a summary of your research project, its aims, and specific research questions that serve as an introduction to your proposal.
- *Related literature & relevant theory.* Please identify and synthesize any relevant research, white papers, and reports that will inform your study. This can include works cited in this call for proposals. Be sure to ground your work in relevant theory, regardless of field origin (e.g., higher education, political science, sociology, etc.).
- *Research methods.* Identify the research design you intend to use, as well as the data source(s) you'll be collecting. If you require a partner to provide you with data access, please include that partner's letter of support at the end of your proposal.
- *Significance for policy and practice.* The immediate goal of these research projects is to provide states with evidence-backed recommendations to assess equity and adequacy in their state's funding structure. Please describe how your research will inform policy and practice to help close equity gaps and ensure adequate funding for public institutions of higher education and the students they serve.
- *References.* This should be a works cited page formatted according to APA standards. Does not count against your word limit.
- *Staffing plan.* If you intend to employ assistance from people who are not named in this proposal, please list them here and delineate each individual's expected role on the project. Does not count against your word limit.
- *Project completion timeline.* Projects, including the final research paper, must be completed within 12 months. Please provide a realistic timeline of anticipated project benchmarks and completion dates. Does not count against your word limit.
- *Résumé or curriculum vitae.* Please include a curriculum vitae or résumé for each member of your research team. Does not count against your word limit.

Please submit your proposal and all relevant documents to Kelsey Kunkle at kkunkle@sheeo.org by **11:59 p.m. Mountain Time on December 10, 2023**. Review of proposals will begin on Monday, December 11, 2023.

Potential Approaches and Topics

We are open to all methodologies with research designs and methods that meet traditional academic standards and are rigorously applied. These include, but are not limited to, survey research; descriptive, correlational, inferential, quasi-experimental, and experimental quantitative studies; analyses of original and secondary data; qualitative research; theoretical and philosophical examinations; legal analyses; and historical studies.

We provide some potential project ideas below. However, project proposals are not limited to these specific topics. We are open to funding any project of relevance to the larger topic of equitable and adequate funding to public institutions of higher education.

- Methods for measuring inequalities in higher education finance.
- An overview of K-12 equity audits and lessons for higher education.
- Defining and measuring base funding adequacy across institution types.
- Aligning equity-based funding strategies with mission-specific institutional needs.
- The impacts of inequitable funding on student success, specifically for low-income and first-generation students and students of color (e.g., Black, Latino, Asian-Pacific Islander, and Native American students).
- The impacts of inequitable funding on degree attainment and college completion.
- Considerations for the analysis of equitable funding at minority serving institutions (MSIs).
- State funding needs and cost differences across institutions in rural, suburban, and urban communities.
- Best practices for creating a sustainable and consistently equitable funding structure.
- Trends in funding inequality and inequities over time.

In addition to publishing these research papers, SHEEO will produce a publication that synthesizes the findings and common themes from all six papers that is designed to translate the research findings for practitioners and policymakers.

Proposal Selection Criteria

Research project proposals will be evaluated and selected based on the following criteria:

- Relevance to the topic of equitable and adequate funding to public institutions of higher education.
- Significance of proposed research questions and topic.
- Rigor and rationale for proposed research method and design.
- Ability to turn the potential findings of the proposed research project into actionable solutions that will help states determine if they are funding their public institutions adequately and close any equity gaps that may exist.
- Project timeline suggests the proposed project can be completed in 12 months.

Timeline

The timeline for submission and completion of accepted research projects is provided below. A more detailed timeline will be provided to awardees following proposal acceptance.

Date	Action Completed
November 7, 2023	Informational meeting to answer questions for those interested in submitting a proposal
December 10, 2023	Research proposals due to SHEEO
December 19, 2023	SHEEO sends decision letters to submitters
June 12, 2024	Interim progress reports due
January 12, 2025	Final research papers due
March/June 2025	Awardees present their research findings to funding partners at one of two quarterly meetings

The final research papers will be widely distributed. Papers will be posted to SHEEO's website, emailed to our members, and shared via social media accounts and our monthly newsletter. We may also ask that papers be presented at our annual policy conferences and relevant SHEEO convenings.

Finally, if your organization or institution requires IRB approval to complete your project, you must submit a copy of the approval to SHEEO.

If you have any questions regarding the content of your proposal, please reach out to Kelsey Kunkle at kkunkle@sheeo.org and Dustin Weeden at dweeden@sheeo.org.