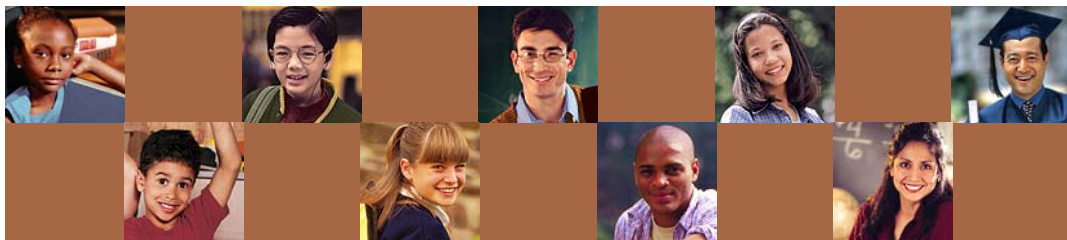


# the condition of education 2005



## INDICATOR 40

# Public Effort to Fund Postsecondary Education

The indicator and corresponding tables are taken directly from *The Condition of Education 2005*. Therefore, the page numbers may not be sequential.

Additional information about the survey data and supplementary notes can be found in the full report. For a copy of *The Condition of Education 2005*, visit the NCES website (<http://nces.ed.gov/pubsearch/pubsinfo.sap?pubid=2005094>) or contact ED PUBs at 1-877-4ED-PUBS.

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# Financing for Postsecondary Education

## Public Effort to Fund Postsecondary Education

*From 1969–70 to 2000–01, government appropriations per student for public institutions increased 3 percent in constant dollars. During the same period, tuition and fees per student increased 99 percent.*

NOTE: Education and general revenue consists of all revenue with the exception of revenue from sales of goods and services that are incidental to the conduct of instruction, research, or public service and from major federally funded research operations. Government appropriations are the sum of appropriations of federal, state, and local governments. Other education and general revenue are the sums of government contracts and grants, private gifts, grants and contracts, endowment income, and revenue from other sources. See *supplemental note 9* for more information about types of revenue included and excluded from this indicator. Revenues are in constant 2001–02 dollars, adjusted using the Consumer Price Index (CPI). See *supplemental note 9* for information about the CPI.

SOURCE: U.S. Department of Education, National Center for Education Statistics (NCES). (2004). *Digest of Education Statistics 2003* (NCES 2005–025), tables 174 and 334 and *Digest of Education Statistics*, various years. Data from U.S. Department of Education, NCES, Biennial Survey of Education in the United States; Opening Fall Enrollment in Higher Education, various years; Higher Education General Information Survey (HEGIS), various years; Integrated Postsecondary Education Data System (IPEDS), “Fall Enrollment Survey” (IPEDS-EF), 1986 through 1999 and spring 2001 and spring 2002 surveys; and IPEDS, “Finance Survey” (IPEDS-F), FY1991 through FY2000 and spring 2002 survey; and U.S. Department of Commerce, Bureau of Economic Analysis, previously unpublished tabulation (November 2004).



FOR MORE INFORMATION:  
Supplemental Notes 3, 9  
Supplemental Tables 40-1,  
40-2  
Indicator 39  
NCES 2004–077, *indicator 36*  
NCES 2003–067, *indicator 40*

In 2000–01, public 2- and 4-year degree-granting institutions raised \$138 billion in total education and general revenue. Of this sum, \$64 billion came from federal, state, and local government appropriations for public degree-granting institutions, \$32 billion came from tuition and fees, and \$42 billion came from such revenue as private gifts, private and government contracts, and endowment income. This indicator examines this public support for public postsecondary institutions in two ways: by the level of public investment per student—as measured by the sum of federal, state, and local government appropriations per student—and by the governmental effort in the aggregate—as measured by government appropriations as a percentage of gross domestic product (GDP). (See *indicator 39* and *supplemental note 9* for more information about these measures.)

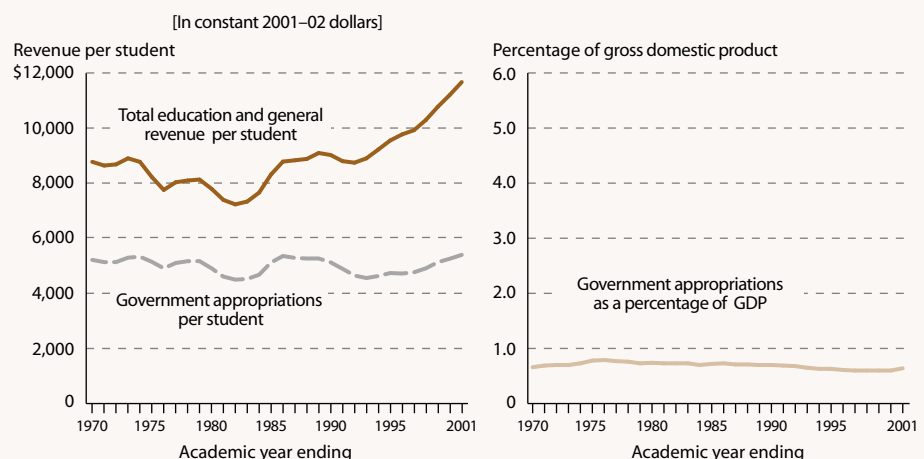
Government appropriations per student for public institutions increased 3 percent from 1969–70 to 2000–01 (from \$5,227 to \$5,409 in constant dollars) (see supplemental table 40-1). During this same period, the revenues per student of public institutions from sources other than government appropriations increased substantially

more than did government appropriations per student. Tuition and fees per student increased from \$1,364 to \$2,716 (by 99 percent), and other sources of education and general revenues per student increased from \$2,204 to \$3,571 (by 62 percent). As a result, education and general revenue per student increased by 33 percent during the 31-year period. The share of total education and general revenue from government appropriations declined from 59 to 46 percent, while the share from tuition and fees increased from 16 to 23 percent. The share of total revenue from other education and general revenues increased from 25 to 31 percent.

Governmental appropriations for postsecondary education increased from .66 percent of GDP in 1969–70 to .79 percent in 1975–76 and then decreased to .60 percent in 1999–2000. Between 1999–2000 and 2000–01, the index increased to .64, or back to nearly the level it was in 1969–70 (see supplemental table 40-2).

For comparisons of expenditures for postsecondary education in the United States with those of other countries, see NCES 2004–077, *indicator 36*.

**PUBLIC EFFORT: Education and general revenue per student for public degree-granting institutions, by source of funds: 1969–70 to 2000–01**



## Public Effort to Fund Postsecondary Education

**Table 40-1. Total and per student education and general revenue for public degree-granting institutions by source of funds, and enrollment in public degree-granting institutions: 1969–70 to 2000–01**

[In constant 2000–01 dollars]

School year ending	Education and general revenue for public degree-granting institutions								
	Total (in billions)				Per student				Enrollment (in millions)
	Total	Government appropriations <sup>1</sup>	Tuition and fees	Other education and general <sup>2</sup>	Total	Government appropriations <sup>1</sup>	Tuition and fees	Other education and general <sup>2</sup>	
1970	\$52	\$31	\$8	\$13	\$8,794	\$5,227	\$1,364	\$2,204	5.9
1971	56	33	9	14	8,659	5,145	1,394	2,121	6.4
1972	59	35	10	14	8,701	5,147	1,459	2,096	6.8
1973	63	38	10	15	8,921	5,307	1,457	2,157	7.1
1974	65	40	10	15	8,794	5,344	1,384	2,066	7.4
1975	66	41	10	14	8,241	5,157	1,303	1,785	8.0
1976	69	44	11	14	7,773	4,920	1,243	1,610	8.8
1977	70	44	12	14	8,050	5,114	1,329	1,607	8.7
1978	72	46	12	14	8,115	5,180	1,309	1,626	8.8
1979	72	46	11	15	8,149	5,182	1,274	1,693	8.8
1980	71	45	11	15	7,817	4,923	1,213	1,681	9.0
1981	70	44	11	15	7,410	4,619	1,191	1,600	9.5
1982	70	44	12	15	7,246	4,509	1,233	1,504	9.6
1983	71	44	13	14	7,349	4,533	1,342	1,473	9.7
1984	74	45	14	15	7,674	4,687	1,443	1,544	9.7
1985	79	49	14	16	8,334	5,133	1,511	1,690	9.5
1986	83	51	15	17	8,803	5,368	1,602	1,833	9.5
1987	86	52	16	18	8,850	5,299	1,653	1,899	9.7
1988	89	53	17	19	8,900	5,277	1,695	1,928	10.0
1989	93	54	18	21	9,115	5,278	1,768	2,069	10.2
1990	96	54	19	22	9,043	5,137	1,802	2,104	10.6
1991	96	53	20	23	8,819	4,902	1,840	2,077	10.8
1992	99	53	22	24	8,763	4,659	1,956	2,148	11.3
1993	102	52	24	26	8,920	4,567	2,103	2,250	11.4
1994	103	52	25	27	9,242	4,641	2,229	2,371	11.2
1995	107	53	26	28	9,571	4,749	2,291	2,532	11.1
1996	109	53	26	30	9,793	4,731	2,376	2,686	11.1
1997	111	53	27	30	9,946	4,776	2,440	2,729	11.1
1998	116	55	28	32	10,321	4,922	2,520	2,879	11.2
1999	120	57	29	34	10,800	5,144	2,621	3,036	11.1
2000	127	60	30	37	11,229	5,269	2,664	3,296	11.3
2001	138	64	32	42	11,696	5,409	2,716	3,571	11.8

<sup>1</sup> Government appropriations are the sums of appropriations of federal, state, and local governments.

<sup>2</sup> Other education and general revenue are the sums of government contracts and grants, private gifts, grants and contracts, endowment income, and revenue from other sources.

NOTE: Some data have been revised from previously published figures. Revenues are in constant 2000–01 dollars, adjusted using the Consumer Price Index (CPI). See *supplemental note 9* for information about the CPI. Detail may not sum to totals because of rounding. See *supplemental note 3* for more information about the Integrated Postsecondary Education Data System (IPEDS).

SOURCE: U.S. Department of Education, National Center for Education Statistics (NCES). (2004). *Digest of Education Statistics 2003* (NCES 2005–025), tables 174 and 334 and *Digest of Education Statistics*, various years. Data from U.S. Department of Education, NCES, Biennial Survey of Education in the United States; Opening Fall Enrollment in Higher Education, various years; Higher Education General Information Survey (HEGIS), various years; Integrated Postsecondary Education Data System (IPEDS), "Fall Enrollment Survey" (IPEDS-EF), 1986 through 1999 and spring 2001 and spring 2002 surveys; and IPEDS, "Finance Survey" (IPEDS-F), FY 1991 through FY 2000 and spring 2002 survey; and U.S. Department of Commerce, Bureau of Economic Analysis, previously unpublished tabulation (November 2004).

## Public Effort to Fund Postsecondary Education

**Table 40-2. Gross domestic product (GDP) and total education and general revenue for public degree-granting institutions and as a percentage of GDP by source of funds: 1969–70 to 2000–01**

School year ending	Dollars (in billions)					Percent of GDP			
	GDP	Education and general revenue			Other education and general <sup>2</sup>	Education and general revenue			
		Total	Government appropriations <sup>1</sup>	Tuition and fees		Total	Government appropriations <sup>1</sup>	Tuition and fees	Other education and general <sup>2</sup>
1970	\$1,013	\$11	\$7	\$2	\$3	1.10	0.66	0.17	0.28
1971	1,080	13	8	2	3	1.17	0.69	0.19	0.29
1972	1,177	14	8	2	3	1.18	0.70	0.20	0.28
1973	1,311	15	9	3	4	1.18	0.70	0.19	0.28
1974	1,439	17	11	3	4	1.21	0.73	0.19	0.28
1975	1,561	20	12	3	4	1.25	0.78	0.20	0.27
1976	1,739	22	14	4	5	1.25	0.79	0.20	0.26
1977	1,917	23	15	4	5	1.22	0.77	0.20	0.24
1978	2,151	26	16	4	5	1.19	0.76	0.19	0.24
1979	2,436	28	18	4	6	1.15	0.73	0.18	0.24
1980	2,679	31	20	5	7	1.17	0.74	0.18	0.25
1981	2,961	35	22	6	8	1.17	0.73	0.19	0.25
1982	3,201	38	23	6	8	1.17	0.73	0.20	0.24
1983	3,364	40	25	7	8	1.19	0.73	0.22	0.24
1984	3,750	43	26	8	9	1.15	0.70	0.22	0.23
1985	4,078	48	29	9	10	1.17	0.72	0.21	0.24
1986	4,349	52	32	9	11	1.19	0.73	0.22	0.25
1987	4,586	55	33	10	12	1.19	0.71	0.22	0.26
1988	4,917	59	35	11	13	1.19	0.71	0.23	0.26
1989	5,305	64	37	12	15	1.21	0.70	0.23	0.27
1990	5,658	69	39	14	16	1.23	0.70	0.24	0.29
1991	5,888	73	41	15	17	1.24	0.69	0.26	0.29
1992	6,154	78	42	18	19	1.27	0.68	0.28	0.31
1993	6,505	83	42	20	21	1.27	0.65	0.30	0.32
1994	6,854	86	43	21	22	1.26	0.63	0.30	0.32
1995	7,246	92	45	22	24	1.26	0.63	0.30	0.33
1996	7,589	96	46	23	26	1.26	0.61	0.31	0.35
1997	8,058	100	48	25	28	1.25	0.60	0.31	0.34
1998	8,524	107	51	26	30	1.25	0.60	0.31	0.35
1999	8,996	113	54	27	32	1.26	0.60	0.30	0.35
2000	9,571	123	58	29	36	1.28	0.60	0.30	0.38
2001	9,992	138	64	32	42	1.38	0.64	0.32	0.42

<sup>1</sup> Government appropriations are the sums of appropriation of federal, state, and local governments.

<sup>2</sup> Other education and general revenue are the sums of government contracts and grants, private gifts, grants and contracts, endowment income, and revenue from other sources.

NOTE: Some data have been revised from previously published figures. Detail may not sum to totals because of rounding. See *supplemental note 3* for more information about the Integrated Postsecondary Education Data System (IPEDS).

SOURCE: U.S. Department of Education, National Center for Education Statistics (NCES) (2004). *Digest of Education Statistics 2003* (NCES 2005–025), tables 174 and 334 and *Digest of Education Statistics*, various years. Data from U.S. Department of Education, NCES, Higher Education General Information Survey (HEGIS), various years; Integrated Postsecondary Education Data System (IPEDS), "Finance Survey" (IPEDS-F) FY 1991 through FY 2000 and spring 2002 survey; and U.S. Department of Commerce, Bureau of Economic Analysis, and previously unpublished tabulation (November 2004); and U.S. Department of Commerce, Bureau of Economic Analysis, previously unpublished tabulation (November 2004).