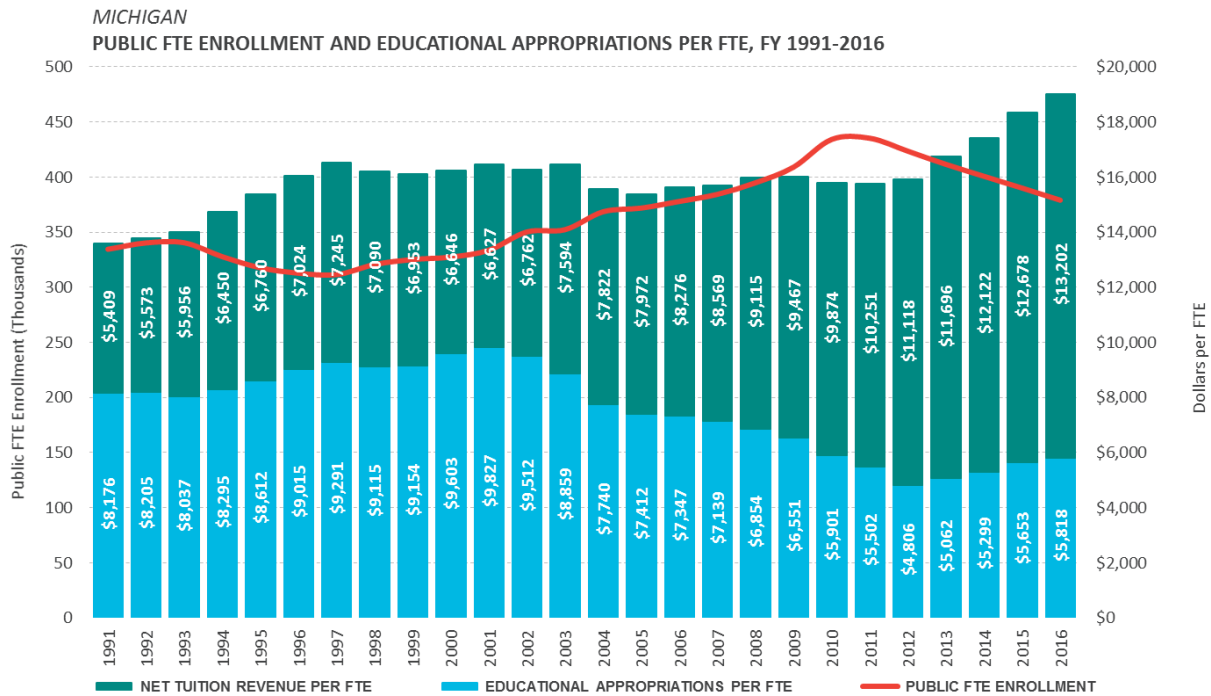


Individual State Reports

Michigan Impact of Declining Revenues on Higher Education From 1991-2016

State Appropriations and Tuition

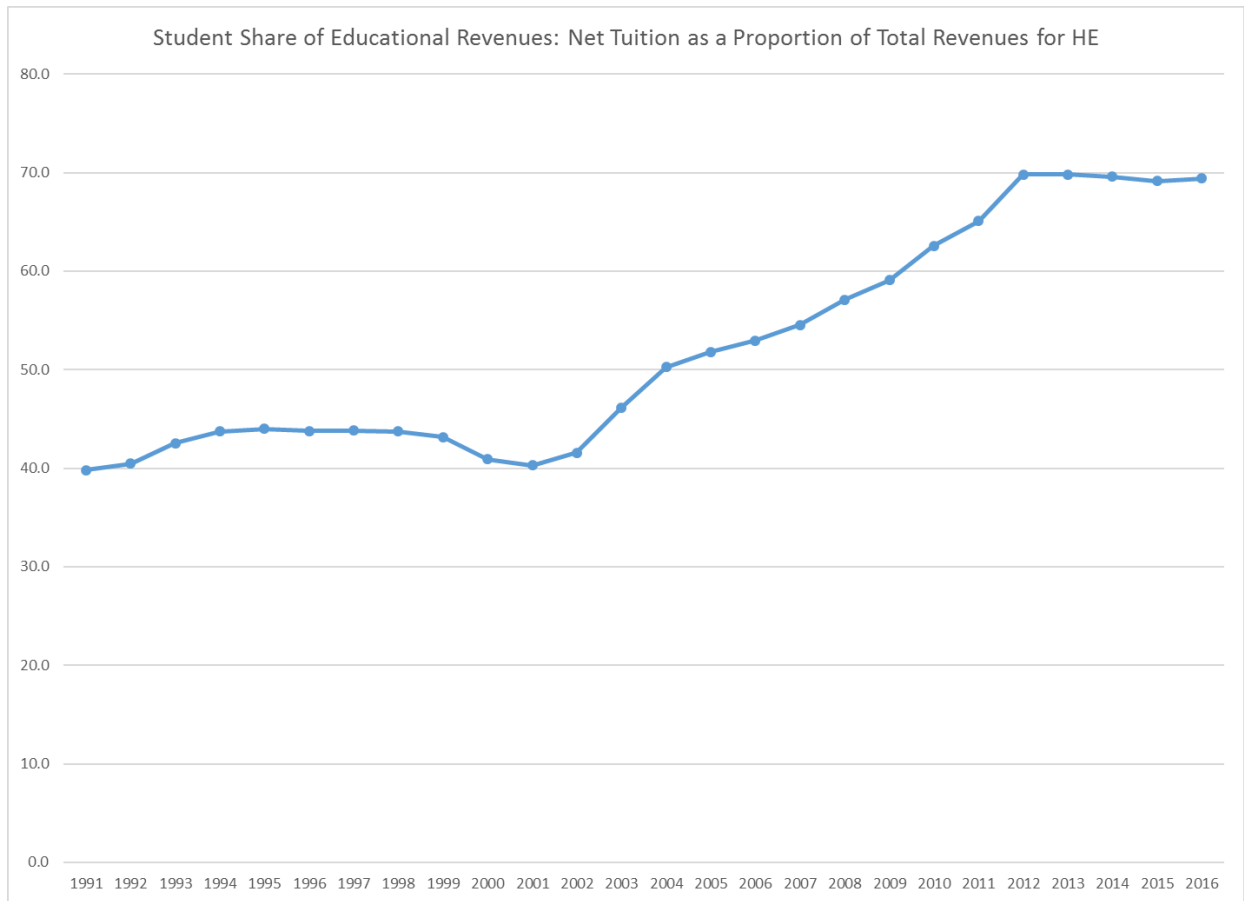


NOTES: Data adjusted for inflation using the Higher Education Cost Adjustment (HECA). Full-time equivalent (FTE) enrollment equates student credit hours to full-time, academic year students, but excludes medical students. Educational appropriations are a measure of state and local support available for public higher education operating expenses including ARRA funds, and exclude appropriations for independent institutions, financial aid for students attending independent institutions, research, hospitals, and medical education. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees. Net tuition revenue used for capital debt service is included in the net tuition revenue figures above.

SOURCE: State Higher Education Executive Officers

	1991	2008	2016
Percent of State Appropriations	60.2	42.9	30.6
Percent of Tuition	39.8	57.1	69.4

Michigan's overall costs for education has risen modestly since 1991, but the biggest issue is the share of that cost. Although the overall cost per FTE has grown from \$13,585 in 1991 to \$19,020 in 2016, an increase of 40%, the share of that cost has fallen hard on students. Tuition cost in 1991 were 39.8% (\$5,409) of the total cost, but in 2016, that cost had grown to over 69.4% (\$13,202). That is an increase of 114%. During that same period, the state appropriation per FTE had fallen 28.8% (\$8,176 to \$5,818). This shift in the burden of cost inevitably results in higher student loans for students, and burdens lower SES students.



Cost-Saving Measures Employed by Michigan

Cost-Saving Step	
Raise Tuition	Yes
Lay off Staff	No
Lay off Faculty	No
Course Cuts	No
Cut Programs (academic)	No
Cut Programs (student)	No
Hiring Freeze	No
Pay Freezes	No

Cost-Saving Step	
Out-of-state Tuition Increase	No
Other Cuts	No
Closings	No
Consolidation	No
Cuts to Sports	No
Performance-based Budgeting	Yes
Restrict Tuition Increase	Yes
Increase Cost-Efficiency	No