



**POLICY MATTERS**

# Update on the Federal Maintenance of Effort Provision: Reinforcing the State Role in Public Higher Education Financing

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*“Of course, it’s not enough for us to increase student aid. We can’t just keep subsidizing skyrocketing tuition; we’ll run out of money. States also need to do their part, by making higher education a higher priority in their budgets. And colleges and universities have to do their part by working to keep costs down.”*

—President Barack Obama, 2012 State of the Union Address

## Context

In his 2012 State of the Union address, President Barack Obama responded to growing concerns over escalating college tuition prices by outlining a series of policy proposals aimed at making college more affordable, including stopping the interest rate hike on federal Stafford student loans and extending the federal tuition tax credit. The president also praised college presidents who have redesigned courses and effectively leveraged technology to help students finish college in a timely manner.

In the address, President Obama also stated that federal efforts will not be enough to make college more affordable. State governments, he argued, must strengthen their financial commitment to higher education and colleges must commit to controlling costs. The Obama administration then put forth a plan to incentivize campuses to control costs by significantly

boosting federal campus-based aid and linking funding to colleges that set responsible tuition policies, provide good value and serve low-income students. The aid programs affected by this proposal include the Supplemental Educational Opportunity Grants (SEOG), Perkins Loans and federal Work-Study.<sup>1</sup>

While the Obama administration put colleges “on notice” to reduce costs, the president has also stressed the primary role of state government in public higher education and urged governors to elevate higher education as a state budget priority. In an address to the nation’s governors in February 2012, the president stated that public institutions, which serve two in three students, have traditionally been affordable because of state investments in higher education. However, college affordability is threatened by long-term declines in state higher education funding; such declines have been the largest contributor to tuition increases at public colleges and universities over the past decade.<sup>2</sup>

While the Obama administration's efforts to make college more affordable has received significant attention in Washington, a lesser-known provision in federal spending bills may be just as important to upholding state financial responsibility to public colleges and universities. Known as "maintenance of effort" (MOE), this provision requires states to maintain spending above a certain threshold in order to receive federal funding tied to specific programs. MOE provisions aim to ensure that federal funds are used to *supplement* state funding for a specific purpose, rather than *supplant* existing state monies.

A [policy brief](#) by the American Association of State Colleges and Universities (AASCU) in April 2010 provided a history of the MOE provision, the arguments for and against including the provisions in federal spending bills, and MOE's effectiveness in prompting states to uphold their financial commitment to higher education in the American Recovery and Reinvestment Act (ARRA). The AASCU analysis found that the MOE provision in the ARRA likely contributed to nine states calibrating higher education funding to within 1 percent of the MOE threshold. Three states set their higher education funding at the exact MOE threshold.<sup>3</sup> Without these provisions, states likely would have made deeper funding cuts to higher education and supplanted state funds with ARRA money, possibly leading to higher tuition for students and families.

This paper will explore recent dynamics of college costs and state higher education appropriations. It will then analyze MOE provisions in three recent federal spending bills: the College Access and Challenge grant provision of the reauthorization of the Higher Education Act (2008), the State Fiscal Stabilization Fund in the American Recovery and Reinvestment Act (2009) and the Education Job Fund (2010).

## Observations

**State colleges and universities have upheld their end of the state-campus compact by controlling institutional spending, boosting productivity, and sustaining investment in core functions during challenging economic times.**

The latest [data](#) from the *Delta Cost Project on Postsecondary Education Costs, Productivity and Accountability* reveal public colleges and universities have tempered per-student spending over the last decade while increasing degree productivity. The data also indicate that public colleges and universities shielded core university functions from budget cuts during the first year of the recession, an encouraging signal of strategic allocation of institutional resources.<sup>4</sup>

**Controlled Institutional Spending.** The *Delta Cost Project* data indicate that from 1999-2009 per-student spending at public colleges and universities remained relatively flat, adjusted for inflation (see Chart 1). Public research institutions increased per-student spending by an average of 12 percent over this time period, from \$32,308 to \$36,190. At master's-level public institutions, average per-student spending grew 5.5 percent, from \$16,842 to \$17,764. Average per-student expenditures at community colleges were unchanged.<sup>5</sup>

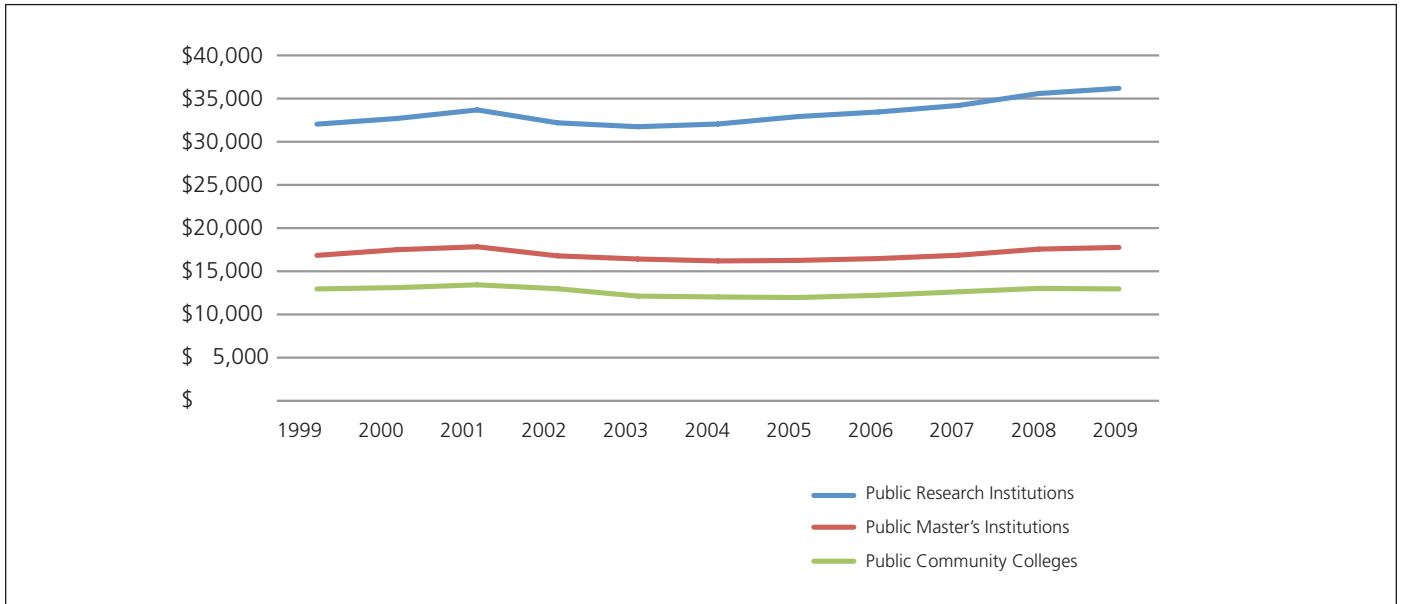
**Higher Productivity.** Degree production also increased from 1999-2009. The *Delta Project* calculates degree production by comparing overall production of degrees against enrollments—not traditional graduation rates. While all institutions increased degree and certificate production during this time period, the greatest gains were in public and private master's-level institutions. (see Chart 2). At public institutions, this was achieved by reducing credit hours per degree completion.<sup>6</sup>

**Maintaining Investments in Core Functions.** The *Delta Project* data reveals public master's and research institutions maintained spending on core educational functions during the first year of the recession (2009). This is an encouraging sign of prudent fiscal management during a period of fiscal scarcity. Future data will reveal whether this trend held as the recession's effect continued into 2010 and 2011.<sup>7</sup>

**The state end of the state-campus partnership in higher education continues to deteriorate; per-student funding (in constant dollars) is at its lowest point in decades.**

The State Higher Education Executive Officers (SHEEO) released data in March 2012 revealing a continuing trend of students and families paying a large share of college costs due to steady increases in student enrollment and

**Chart 1. Average, Inflated-Adjusted Per-Student Expenditures, FY 1999–2009**



Source: The Delta Project on Postsecondary Education Costs, Productivity and Accountability, 2011

**Chart 2. Degree Production, By Sector, 1999–2009**

		Total Degrees per 100 FTE Students	Total Certificates and Awards per 100 FTE Students
Public Research	1999	23.6	0.3
	2009	24.4	0.5
Public Master's	1999	22.3	0.3
	2009	23.3	0.6
Community Colleges	1999	14.7	8
	2009	15	10.6
Private Research	1999	30.5	0.4
	2009	31.5	0.9
Private Master's	1999	29.7	0.8
	2009	31.7	1.3
Private Bachelor's	1999	22.1	0.6
	2009	22.9	0.4

Source: The Delta Project on Postsecondary Education Costs, Productivity and Accountability, 2011 FTE = Full Time Equivalent

stagnant state funding. Enrollment at public institutions increased 33 percent from 2001 to 2011 and 64 percent since 1986.<sup>8</sup> State appropriations have not kept up with enrollment changes, leading to a greater reliance on student tuition as a source of institutional revenue (see Chart 3). In 2011, average state appropriations per

full-time student was \$6,290, while tuition was \$4,774. By comparison, per-student appropriations in 1986 (in constant dollars) were \$8,025 and tuition was \$2,422.<sup>9</sup> Initial 2012 data show this shift continuing, with a 7.5 percent overall reduction in state operating support for higher education from 2011.<sup>10</sup>

*“ . . . more than 40 states have cut funding for higher education over the past year. And this is just the peak of what has been a long-term trend in reduced state support for higher education. And state budget cuts have been among the largest factor in tuition hikes at public colleges over the past decade.”*

—President Barack Obama, National Governors Association Meeting, February 27, 2012

**Federal maintenance of effort provisions offer incentives to states to sustain their financial support for public higher education**

Nearly all state governments are required to balance their budgets, which often leads to funding reductions for state-funded programs during recessionary periods. Higher education relies on state appropriations as a key source of revenue, but has to compete against a host of other state funding priorities, including K-12 education, Medicaid, corrections and transportation. Higher education is at a disadvantage as a state funding priority against many other budget items because it has alternative revenue streams, including tuition and philanthropic support.

Higher education is also a prime target for cuts because it is a *discretionary* item in state budgets. Some state programs must be funded at certain levels in order to meet federal funding requirements. Until recently, higher

education did not have federal funding requirements, leaving colleges and universities vulnerable to deep state funding cuts. This dynamic, coupled with growing student enrollment, has led to the erosion of the state’s contribution for higher education funding and escalating tuition rates for students and families.

Recent federal spending initiatives have aimed to stem the tide of state disinvestment by incentivizing states to maintain their financial commitment to higher education. A key principle that Congress has included in these MOE provisions is that states use these funds to supplement, and not supplant, existing state investments for public higher education. MOE provisions related to higher education have been included in three recent pieces of federal legislation (see Chart 4), each bill containing different MOE requirements:

- College Access Challenge Grants (CACG) in the reauthorization of the Higher Education Act (2008);
- State Fiscal Stabilization Fund (SFSF) in the American Recovery and Reinvestment Act (ARRA) (2009); and
- Education Jobs Fund, a provision included in the FAA Air Transportation Modernization and Safety Improvement Act (2010).

**College Access Challenge Grants.** The 2008 reauthorization of the Higher Education Act (HEA) included a College Access Challenge Grants (CACG) program, a formula-based college grant initiative to

**Chart 3. 2008–2009: One-Year Change in Revenues Per Student from Tuition/State Appropriations Compared to Changes in Spending**

Sector	One-Year Change in Net Tuition Revenue per Student	One-Year Change in State and Local Appropriations per Student	One-Year Change in Education and Related Spending per Student
Public Research	\$369	(\$751)	\$92
Public Master's	\$225	(\$590)	\$26
Public Community Colleges	\$113	(\$488)	(\$254)
Private Research	\$293	NA	\$907
Private Master's	\$536	NA	\$352
Private Bachelor's	\$381	NA	\$298

Source: The Delta Project on Postsecondary Education Costs, Productivity and Accountability, 2011

“foster partnerships among federal, state and local philanthropic organizations through matching challenge grants that are aimed at increasing the number of low-income students who are prepared to enter and succeed in postsecondary education.”<sup>11</sup> Since its inception, the program has funded a [variety of projects](#) across the nation. CACG was funded at \$66 million in FY 2008 and 2009, with \$150 million appropriated annually for FY 2010, 2011 and 2012.

According to the U.S. Department of Education (ED), CACG can be used to:

- Provide information to students and families regarding postsecondary education and career preparation;
- Promote financial literacy and debt management;
- Conduct outreach activities;
- Assist students in completing the Free Application for Federal Student Financial Aid (FAFSA);
- Provide need-based grant aid;
- Conduct professional development for guidance counselors at middle and secondary schools, and for financial aid administrators and admissions counselors at colleges; and
- Offer student loan cancellation or repayment or interest rate reductions for borrowers who are employed in a high-need geographical area or a high need profession.

The MOE provision included in the CACG program [requires](#) states to provide support for higher education in an amount equal to or greater than the average amount provided over the prior five fiscal years for both (a) public institutions of higher education (excluding capital expenses and research and development costs) and (b) private institutions of higher education (as measured by financial aid/scholarships for students attending private colleges).<sup>12</sup>

States are allowed to [apply for waivers](#) from the MOE provision. In 2010, ED issued six responses to state waiver requests. No states were denied funding. In 2011,

ED received waiver requests from 20 states. Of these, four states were denied grants (Ala., Iowa, Mich., Ohio). Nine states were granted exceptions in 2011, four met the requirement by spending federal stimulus dollars on higher education, and three made significant efforts to correct their violations.<sup>13</sup>

For MOE provisions to effectively encourage states to make additional investments in programs, the amount of federal money needs to justify additional state spending. In the case of CACG, the size of the grants arguably did not justify the additional spending requirement for some states. For example, for federal fiscal year 2011, Alabama lost a little more than \$2 million in forgone CACG money, but would have had to spend an additional \$36 million to have received federal funding. Michigan passed on more than \$4 million because it would have needed to invest \$59 million more in higher education to have received the grant.

**State Fiscal Stabilization Fund.** The State Fiscal Stabilization Fund (SFSF) was included in the American Recovery and Reinvestment Act of 2009. The program received \$53.6 billion of which \$48.6 billion was awarded to governors by the U.S. Department of Education.<sup>14</sup> It was available for use in FY 2009, 2010 and 2011.

The SFSF program contained MOE language mandating that states maintain their support for elementary and secondary education *and* public institutions of higher education at or above FY 2006 levels. According to ED, three waivers of the MOE provisions for higher education were requested in FY 2009, 11 were requested in 2010 and eight were requested in 2011 (See Chart 5).

Data from the [2011 updated ARRA applications](#) clearly indicate a relationship between state appropriations levels and the MOE threshold. In FY 2009, three states ultimately cut to within 1 percent of their MOE threshold. In FY 2010, 15 states cut to within a 1 percent of the threshold. Of these states, 11 cuts were within .25 percent of their threshold. In FY 2011, 12 states cut to within 1 percent of their respective thresholds. Of these states, five were within .25 percent of their threshold. No states were within the one percent threshold all three years, but nine states were within the one percent threshold for two years (see Appendix 1).

**Chart 4. Federal Maintenance of Efforts Requirements**

Federal Legislation	MOE Requirements		Appropriation
<p><b>College Access Challenge Grants (2008)</b></p>	<p>Under section 137(a) of the HEA, a State must provide support for higher education that is equal to or greater than the average amount provided over the prior five fiscal years for both (a) public institutions of higher education (excluding capital expenses and research and development costs) and (b) private institutions of higher education (as measured by financial aid/scholarships for students attending private colleges). (HEA-Section 137)</p>	<p><a href="#">View Law (Sec. 137)</a></p>	<p>\$66 million in FY 2008 and 2009, \$150 million in FY 2010, 2011 and 2012</p>
<p><b>State Fiscal Stabilization Fund (2009)</b></p>	<p>(A) Elementary and Secondary Education—The State will, in each of fiscal years 2009, 2010, and 2011, maintain State support for elementary and secondary education at least at the level of such support in fiscal year 2006. (B) Higher Education—The State will, in each of fiscal years 2009, 2010, and 2011, maintain State support for public institutions of higher education (not including support for capital projects or for research and development or tuition and fees paid by students) at least at the level of such support in fiscal year 2006.</p>	<p><a href="#">View Law (Sec. 14005)</a></p>	<p>\$53.6 billion, \$48.6 was directed to the U.S. Department of Education for distribution to states</p>
<p><b>Education Jobs Fund (2010). Four alternative methods:</b> <i>Method One</i></p>	<p>(i) For State fiscal year 2011, the State will maintain State support for elementary and secondary education (in the aggregate or on the basis of expenditures per pupil) and for public institutions of higher education (not including support for capital projects or for research and development or tuition and fees paid by students) at not less than the level of such support for each of the two categories, respectively, for State fiscal year 2009; or</p>	<p><a href="#">View Law (Sec. 101)</a></p>	<p>\$10 billion</p>

**Chart 4. Maintenance of Efforts Requirements** *continued*

Federal Legislation	MOE Requirements		Appropriation
<i>Method Two</i>	(ii) for State fiscal year 2011, the State will maintain State support for elementary and secondary education and for public institutions of higher education (not including support for capital projects or for research and development or tuition and fees paid by students) at a percentage of the total revenues available to the State that is equal to or greater than the percentage provided for each of the two categories, respectively, for State fiscal year 2010; or		
<i>Method Three</i>	(iii) in the case of a State in which State tax collections for calendar year 2009 were less than State tax collections for calendar year 2006, for State fiscal year 2011 the State will maintain State support for elementary and secondary education (in the aggregate) and for public institutions of higher education (not including support for capital projects or for research and development or tuition and fees paid by students)—at not less than the level of such support for each of the two categories, respectively, for State fiscal year 2006; or		
<i>Method Four</i>	at a percentage of the total revenues available to the State that is equal to or greater than the percentage provided for each of the two categories, respectively, for State fiscal year 2006.		

Source: U.S. Department of Education, 2012

**Education Jobs Fund.** Amidst concerns that states and local governments were facing substantial funding gaps and K-12 teaching jobs would be lost, Congress passed the \$10 billion Education Jobs Fund in August 2010. This program did not include funding for higher education. It did, however, contain a MOE provision that included higher education funding. In total, 49 states participated in the Education Jobs Fund. South Carolina did not apply for funds.<sup>15</sup> Wyoming did not apply for funds but still received funding.

The MOE provision in the [Education Jobs Fund](#) allowed states to meet the FY 2011 higher education funding threshold by one of four methods:

- Funding levels not less than FY 2009 (chosen by five states)
- Funding percentage of total revenues available to the state that is equal to or greater than the percentage for FY 2010 (chosen by six states)
- Funding levels not less than FY 2006 (chosen by 31 states).<sup>1</sup>
- Percentage of the total revenues available to state that is equal to or greater than the percentage for FY 2006 (chosen by six states).<sup>2</sup>

In an analysis of state applications for the Education Jobs Fund, it is evident that the MOE provision was a major contributor to funding levels in several states (see Appendix 2).

*Method One.* In the five states that chose method one, one set its funding level at the exact MOE threshold (South Dakota), while one state was within .01 percent of its 2009 funding level (New Hampshire). Another state was roughly 1.5 percent above the threshold (Arkansas), while the remaining two states were well-above the 2006 spending level (Alaska, North Dakota).

*Method Two.* In the six states that chose method two, all were within 1.7 percent of their 2010 funding share for higher education. Two states set their funding levels at the exact level allowed by MOE (Kentucky, Louisiana) and a third (Rhode Island) was within .1 percent of the threshold.

*Method Three.* Method three was the choice of 31 states. In this method, four states cut their higher education funding to exactly the minimum MOE threshold and nine cut to less than 1 percent of their 2006 spending levels.

*Method Four.* In method four, five of the six states cut to within one percent of total revenues devoted to higher education in 2006. Two of the six states reduced higher education funding during this period, but still were above the threshold.

Data from recent federal spending bills demonstrate that states had their baseline MOE thresholds in mind when determining higher education spending levels, as a number of states allocated discretionary funding to the exact minimum threshold. The close proximity of higher education funding allocations in many states to the respective MOE thresholds in the SFSF and Education Jobs Fund strongly suggests that states would have likely cut deeper if this provision was not in place. The SFSF and Education Jobs Funds legislation expired in 2011, leaving a “funding cliff” that led many states to make deep cuts to higher education funding. Only nine states increased higher education funding in FY12, with states’ overall funding dropping 7.5 percent.<sup>16</sup>

## Conclusion

College access and affordability remains a joint responsibility among states, the federal government and public colleges and universities. However, states have historically played the main role in funding public colleges and universities, a commitment that has eroded over the course of time. As a result, students and families have been paying a larger share of the costs at public colleges and universities.

Federal MOE provisions are one way to encourage states to re-invest in higher education; such investment will, in turn, mitigate rising college prices and increase college affordability, access and student success. The

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<sup>1</sup>This method is only available to states with state tax collections for calendar year 2009 that are less than state tax collections for calendar year 2006.

<sup>2</sup>This method is only available to states with state tax collections for calendar year 2009 that are less than state tax collections for calendar year 2006.



**Chart 5. State Fiscal Stabilization Fund Waiver Requests**

	Elementary and Secondary Education			Institutions of Higher Education		
	FY 09	FY 10	FY 11	FY 09	FY 10	FY 11
Alabama					X	
California			X			
Colorado					X	
Florida	X	X	X		X	X
Idaho			X <sup>1</sup>			X
Iowa					X	
Kentucky					X	X <sup>1</sup>
Louisiana					X <sup>2</sup>	
Massachusetts					X	X <sup>1</sup>
Nevada					X	X
New Jersey				X		
Puerto Rico					X	X <sup>1</sup>
Rhode Island	Approved		X <sup>1</sup>	X	X	X <sup>1</sup>
South Carolina		X <sup>2</sup>	X <sup>1</sup>	X	X	X <sup>1</sup>

<sup>x</sup>Data indicate that a State will not meet the Maintenance of Effort (MOE) requirement. (Each State indicated that it would meet MOE waiver criteria for the applicable period.)

<sup>x1</sup>State has indicated it may not meet the MOE requirement but did not provide data for that fiscal year.

<sup>x2</sup>State has indicated in its application that it is unlikely to meet the MOE requirement.

Source: U.S. Department of Education

recent experiments with MOE show that states are mindful of the federal requirements when deliberating over higher education funding. In order to ensure that states continue to fund higher education, federal policymakers should continue to explore including MOE provisions in future federal higher education spending bills.

**Endnotes**

<sup>1</sup>FACT SHEET: President Obama’s Blueprint for Keeping College Affordable and Within Reach for All Americans,” *Whitehouse.gov* (2012), <http://www.whitehouse.gov/the-press-office/2012/01/27/fact-sheet-president-obama-s-blueprint-keeping-college-affordable-and-wi>.

<sup>2</sup>“President Obama Speaks at National Governors Association Meeting,” *Whitehouse.gov* (2012), <http://www.whitehouse.gov/photos-and-video/video/2012/02/27/president-obama-speaks-national-governors-association-meeting#transcript>.

<sup>3</sup>Alexander, F.K, T.L. Harnisch, D.J. Hurley, R.L. Moran, “ ‘Maintenance of Effort’ An Evolving Federal-State Policy Approach to Ensuring College Affordability,” *AASCU Policy Matters* (2010), [http://www.aascu.org/uploadedFiles/AASCU/Content/Root/PolicyAndAdvocacy/PolicyPublications/AASCU\\_Maintenance%20of\\_Effort\\_College\\_Affordability\\_April\\_2010%283%29.pdf](http://www.aascu.org/uploadedFiles/AASCU/Content/Root/PolicyAndAdvocacy/PolicyPublications/AASCU_Maintenance%20of_Effort_College_Affordability_April_2010%283%29.pdf).

<sup>4</sup>Donna M. Desrochers and Jane Wellman, “Trends in College Spending: 1999-2009,” *The Delta Cost Project on Postsecondary Education Costs, Productivity and Accountability* (2011), [http://www.deltacostproject.org/resources/pdf/Trends2011\\_Final\\_090711.pdf](http://www.deltacostproject.org/resources/pdf/Trends2011_Final_090711.pdf).

<sup>5</sup>Ibid.

<sup>6</sup>Ibid.

<sup>7</sup>Ibid.

<sup>8</sup>State Higher Education Finance FY 2011,” *State Higher Education Executive Officers* (SHEEO) (2012), [http://www.sheeo.org/finance/shef/SHEF\\_FY11.pdf](http://www.sheeo.org/finance/shef/SHEF_FY11.pdf).

<sup>9</sup>Ibid.

<sup>10</sup>“State Fiscal Support for Higher Education by Region FY 07, FY10, FY11 and FY12” *Grapevine Annual Compilation of Data on State Fiscal Support for Higher Education*, March 2012, [http://grapevine.illinoisstate.edu/tables/FY12/Revised\\_March13/Table%203%20Revised.pdf](http://grapevine.illinoisstate.edu/tables/FY12/Revised_March13/Table%203%20Revised.pdf).

<sup>11</sup>“College Access Challenge Grant Program,” *U.S. Department of Education* (2012), <http://www2.ed.gov/programs/cacg/index.html>.

<sup>12</sup>“College Access Grant Maintenance of Effort,” *U.S. Department of Education-Office of Postsecondary Education*, April 13, 2012, <http://www2.ed.gov/programs/cacg/cacg-moewebinar2012.pdf>.

<sup>13</sup>Eric Kelderman, “Federal Officials Penalize 2 States for College Spending Cuts,” *The Chronicle of Higher Education*, March 14, 2012, <http://chronicle.com/article/US-Penalizes-2-States-for/131150/>.

<sup>14</sup>“State Fiscal Stabilization Fund,” *U.S. Department of Education* (2009), <http://www2.ed.gov/policy/gen/leg/recovery/factsheet/stabilization-fund.html>.

<sup>15</sup>Jennifer Cohen, “The Status of the Education Jobs Fund,” *New America Foundation*, September 21, 2010, [http://edmoney.newamerica.net/blogposts/2010/the\\_status\\_of\\_the\\_education\\_jobs\\_fund-37134](http://edmoney.newamerica.net/blogposts/2010/the_status_of_the_education_jobs_fund-37134).

<sup>16</sup>*Grapevine*, 2012.

## Appendix 1. State Fiscal Stabilization Application Information

	State Support for Public Higher Education, FY 2006	State Support for Public Higher Education, FY 2009	Percent Change in State Support for Public Higher Education, FY 2006 and 2009	State Support for Public Higher Education, FY 2010	Percent Change in State Support for Public Higher Education, FY 2006 and 2010	State Support for Public Higher Education, FY 2011	Percent Change in State Support for Public Higher Education, FY 2006 and 2011
Alabama	\$1,310,455,089	\$1,419,367,595	8.31%	\$1,276,807,446	-2.57%	\$1,273,956,262	-2.79%
Alaska	\$249,211,800	\$314,088,600	26.03%	\$328,546,400	31.83%	\$337,388,400	35.38%
Arizona	\$987,219,799	\$1,042,608,835	5.61%	\$990,552,159	0.34%	\$990,004,100	0.28%
Arkansas	\$683,776,489	\$797,345,971	16.61%	\$835,631,484	22.21%	\$860,033,732	25.78%
California	\$8,857,000,000	\$8,879,000,000	0.25%	\$8,860,000,000	0.03%	\$9,657,000,000	9.03%
Colorado	\$555,289,004	\$555,289,004	0.00%	\$323,956,816	-41.66%	\$615,315,617	10.81%
Connecticut	\$565,538,477	\$664,455,383	17.49%	\$664,633,736	17.52%	\$665,268,813	17.63%
Delaware	\$199,410,600	\$221,707,400	11.18%	\$205,834,400	3.22%	\$199,470,600	0.03%
District of Columbia	\$61,266,000	\$62,070,000	1.31%	\$62,070,000	1.31%	\$62,920,000	2.70%
Florida	\$3,268,590,344	\$3,479,940,738	6.47%	\$3,125,485,054	-4.38%	\$3,259,914,984	-0.27%
Georgia	\$2,205,011,789	\$2,461,444,499	11.63%	\$2,226,897,714	0.99%	\$2,565,820,525	16.36%
Hawaii	\$594,551,298	\$730,301,016	22.83%	\$598,899,088	0.73%	\$624,599,053	5.05%
Idaho	\$304,276,500	\$340,781,100	12.00%	\$293,434,800	-3.56%	\$285,687,000	-6.11%
Illinois	\$1,604,852,068	\$1,699,558,900	5.90%	\$1,618,685,000	0.86%	\$1,614,335,100	0.59%
Indiana	\$1,246,587,139	\$1,309,288,634	5.03%	\$1,271,513,104	2.00%	\$1,254,446,450	0.63%
Iowa	\$633,852,556	\$759,305,713	19.79%	\$633,852,556	0.00%	\$633,852,556	0.00%
Kansas	\$747,064,138	\$799,848,701	7.07%	\$747,239,238	0.02%	\$753,219,441	0.82%
Kentucky	\$995,033,015	\$1,027,435,400	3.26%	\$957,313,400	-3.79%	\$970,126,600	-2.50%
Louisiana	\$959,187,836	\$1,270,806,058	32.49%	\$892,071,725	-7.00%	\$907,443,338	-5.39%
Maine	\$233,266,271	\$235,035,692	0.76%	\$241,803,040	3.66%	\$238,803,040	2.37%
Maryland	\$1,058,862,753	\$1,386,680,589	30.96%	\$1,388,936,180	31.17%	\$1,405,913,724	32.78%
Massachusetts	\$816,407,964	\$915,949,893	12.19%	\$801,733,286	-1.80%	N/A	N/A
Michigan	\$1,670,532,950	\$1,734,416,958	3.82%	\$1,677,816,822	0.44%	\$1,688,323,116	1.06%
Minnesota	\$1,191,885,000	\$1,342,259,000	12.62%	\$1,232,786,000	3.43%	\$1,191,885,000	0.00%
Missouri	\$831,027,290	\$932,670,321	12.23%	\$831,027,292	0.00%	\$871,505,417	4.87%
Montana	\$131,297,110	\$162,251,071	23.58%	\$131,309,395	0.01%	\$131,297,111	0.00%
Nebraska	\$519,412,293	\$608,776,382	17.20%	\$608,776,382	17.20%	\$610,776,381	17.59%
Nevada	\$551,658,679	\$618,796,273	12.17%	\$391,672,223	-29.00%	\$554,141,857	0.45%
New Hampshire	\$112,706,936	\$137,447,218	21.95%	\$133,359,697	18.32%	\$137,555,490	22.05%
New Jersey	\$1,808,624,000	\$1,803,654,000	-0.27%	\$1,836,760,000	1.56%	N/A	N/A
New Mexico	\$574,120,400	\$671,607,800	16.98%	\$642,866,900	11.97%	\$607,590,600	5.83%
New York	\$3,275,000,000	\$4,882,424,400	49.08%	\$4,133,723,300	26.22%	\$3,980,701,000	21.55%
North Carolina	\$2,627,588,983	\$2,981,417,588	13.47%	\$3,148,195,233	19.81%	\$3,456,265,394	31.54%
North Dakota	\$158,102,092	\$214,629,302	35.75%	\$228,314,399	44.41%	\$240,583,888	52.17%
Ohio	\$1,744,590,547	\$2,024,482,403	16.04%	\$1,747,354,621	0.16%	\$1,750,079,645	0.31%

**Appendix 1. State Fiscal Stabilization Application Information** *continued*

	State Support for Public Higher Education, FY 2006	State Support for Public Higher Education, FY 2009	Percent Change in State Support for Public Higher Education, FY 2006 and 2009	State Support for Public Higher Education, FY 2010	Percent Change in State Support for Public Higher Education, FY 2006 and 2010	State Support for Public Higher Education, FY 2011	Percent Change in State Support for Public Higher Education, FY 2006 and 2011
Oklahoma	\$755,677,098	\$905,805,884	19.87%	\$828,215,493	9.60%	\$828,215,493	9.60%
Oregon	\$554,534,240	\$584,622,225	5.43%	\$554,534,240	0.00%	\$554,534,240	0.00%
Pennsylvania	\$1,309,467,000	\$1,375,496,000	5.04%	\$1,345,123,000	2.72%	\$1,345,123,000	2.72%
Rhode Island	\$180,371,797	\$170,880,182	-5.26%	\$161,108,248	-10.68%	\$163,606,843	-9.29%
South Carolina	\$671,345,807	\$597,311,556	-11.03%	\$544,654,978	-18.87%	\$441,612,220	-34.22%
South Dakota	\$137,148,372	\$151,012,080	10.11%	\$149,006,505	8.65%	\$151,209,031	10.25%
Tennessee	\$1,110,882,966	\$1,193,623,400	7.45%	\$1,112,842,200	0.18%	\$1,275,490,900	14.82%
Texas	\$4,684,790,443	\$5,396,684,415	15.20%	\$5,397,807,937	15.22%	\$5,783,390,366	23.45%
Utah	\$650,343,200	\$708,603,800	8.96%	\$651,977,300	0.25%	\$664,593,500	2.19%
Vermont	\$65,102,571	\$69,280,865	6.42%	\$69,280,866	6.42%	\$69,280,866	6.42%
Virginia	\$1,478,279,912	\$1,696,191,921	14.74%	\$1,560,460,498	5.56%	N/A	N/A
Washington	\$1,313,609,737	\$1,555,883,317	18.44%	\$1,314,209,349	0.05%	\$1,317,092,924	0.27%
West Virginia	\$303,171,149	\$358,761,867	18.34%	\$336,817,426	11.10%	\$331,070,354	9.20%
Wisconsin	\$968,842,664	\$1,063,515,808	9.77%	\$1,029,000,519	6.21%	\$1,049,585,702	8.33%
Wyoming	\$230,690,941	\$315,582,002	36.80%	\$284,853,489	23.48%	\$290,462,337	25.91%
<b>Total</b>	<b>\$57,747,515,106</b>	<b>\$64,630,397,759</b>	<b>11.92%</b>	<b>\$60,429,750,938</b>	<b>4.64%</b>	<b>\$58,661,492,010</b>	<b>1.58%</b>

Source: U.S. Department of Education

## Appendix 2. Education Jobs Fund Applications

### Method 1. Comparison of State Public Higher Education Support, FY 2009 and FY 2011

**Instructions:** For State FY 2011, the State will maintain State support for public institutions of higher education (IHEs) (not including support for capital projects or for research and development or for tuition and fees paid for by students) at not less levels of such support for state FY 2009.

State	State Public Higher Education Support, FY 2009	State Public Higher Education Support, FY 2011	Difference in State Public Higher Education Support, FY 2009 and FY 2011	Percent Change in State Public Higher Education Support FY 2009 and FY 2011	
Alaska	\$314,088,600	\$335,903,400	\$21,814,800	6.94%	<a href="#">View Application</a>
Arkansas	\$797,345,971	\$809,660,542	\$12,314,571	1.54%	<a href="#">View Application</a>
District of Columbia	\$62,070,000	\$62,920,000	\$850,000	1.37%	<a href="#">View Application</a>
New Hampshire	\$137,447,218	\$137,555,490	\$108,272	0.08%	<a href="#">View Application</a>
North Dakota	\$214,629,302	\$240,583,888	\$25,954,586	12.09%	<a href="#">View Application</a>
South Dakota	\$151,130,857	\$151,130,857	—	0.00%	<a href="#">View Application</a>
<b>Totals</b>	<b>\$1,676,711,948</b>	<b>\$1,737,754,177</b>	<b>\$61,042,229</b>	<b>3.64%</b>	

Source: Education Jobs Fund Applications, U.S. Department of Education.

### Method 2. Comparison of Share of State Public Higher Education Support, FY 2010 and FY 2011

**Instructions:** For State FY 2011, the State will maintain State support for public institutions of higher education (IHEs) (not including support for capital projects or for research and development or tuition and fees paid by students) at a percentage of the total revenues available to the state that is equal to or greater than the percentage for State FY 2010.

State	State Public Higher Education Support as a Share of Total State Revenues, FY 2010	State Public Higher Education Support as a Share of Total State Revenues, FY 2011	Percent Change in State Public Higher Education Support as a Share of Total State Revenues, FY 2010 and FY 2011	
Iowa	11.25%	11.66%	0.41%	<a href="#">View Application</a>
Kentucky	11.47%	11.47%	0.00%	<a href="#">View Application</a>
Louisiana	11.58%	11.58%	0.00%	<a href="#">View Application</a>
Maryland	8.71%	8.85%	0.14%	<a href="#">View Application</a>
Rhode Island	5.34%	5.42%	0.08%	<a href="#">View Application</a>
Texas	15.20%	16.82%	1.62%	<a href="#">View Application</a>
<b>Totals</b>	<b>12.38%</b>	<b>13.13%</b>	<b>0.75%</b>	

Source: State Education Jobs Fund Applications, U.S. Department of Education.

## Appendix 2. Education Jobs Fund Applications *continued*

### Method 3. Comparison of State Public Higher Education Support, FY 2006 and FY 2011

**Instructions:** For State FY 2011, the State will maintain State support for public institutions of higher education (IHEs) (not including support for capital projects or for research and development or tuition and fees paid by students) at not less than the level of such support for state FY 2006.

**Note:** This method is only available to States with State Tax Collections for calendar year 2009 that are less than State tax collections for calendar year 2006.

State	State Public Higher Education Support, FY 2006	State Public Higher Education Support, FY 2011	Difference in State Public Higher Education Support, FY 2006 and FY 2011	Percent Change in State Public Higher Education Support, FY 2006 and FY 2011	
Alabama	\$1,310,455,089	\$1,313,356,972	\$2,901,883	0.22%	<a href="#">View Application</a>
Arizona	\$987,239,500	\$990,004,100	\$2,764,600	0.28%	<a href="#">View Application</a>
California	\$8,857,000,000	\$9,644,000,000	\$787,000,000	8.89%	<a href="#">View Application</a>
Colorado	\$555,289,004	\$555,289,004	—	0.00%	<a href="#">View Application</a>
Connecticut	\$565,538,477	\$665,268,813	\$99,730,336	17.63%	<a href="#">View Application</a>
Delaware	\$199,410,600	\$199,410,600	—	0.00%	<a href="#">View Application</a>
Georgia	\$2,205,011,789	\$2,565,820,525	\$360,808,736	16.36%	<a href="#">View Application</a>
Hawaii	\$594,551,298	\$624,599,053	\$30,047,755	5.05%	<a href="#">View Application</a>
Illinois	\$1,605,024,500	\$1,614,248,500	\$9,224,000	0.57%	<a href="#">View Application</a>
Indiana	\$1,246,587,139	\$1,254,446,385	\$7,859,246	0.63%	<a href="#">View Application</a>
Kansas	\$747,064,138	\$755,541,670	\$8,477,532	1.13%	<a href="#">View Application</a>
Massachusetts	\$814,917,747	\$827,567,957	\$12,650,210	1.55%	<a href="#">View Application</a>
Minnesota	\$1,191,885,000	\$1,191,885,000	—	0.00%	<a href="#">View Application</a>
Mississippi	\$570,566,448	\$614,967,176	\$44,400,728	7.78%	<a href="#">View Application</a>
Missouri	\$831,027,290	\$871,505,417	\$40,478,127	4.87%	<a href="#">View Application</a>
Montana	\$131,297,110	\$131,297,111	\$1	0.00%	<a href="#">View Application</a>
Nebraska	\$519,412,293	\$610,776,381	\$91,364,088	17.59%	<a href="#">View Application</a>
Nevada	\$551,658,679	\$554,141,857	\$2,483,178	0.45%	<a href="#">View Application</a>
New Mexico	\$572,742,907	\$610,580,074	\$37,837,167	6.61%	<a href="#">View Application</a>
New York	\$3,274,943,000	\$4,004,173,300	\$729,230,300	22.27%	<a href="#">View Application</a>
North Carolina	\$2,627,588,973	\$3,456,265,394	\$828,676,421	31.54%	<a href="#">View Application</a>
Oklahoma	\$812,714,766	\$907,442,345	\$94,727,579	11.66%	<a href="#">View Application</a>
Oregon	\$554,534,240	\$575,252,199	\$20,717,959	3.74%	<a href="#">View Application</a>
Pennsylvania	\$1,309,467,000	\$1,345,123,000	\$35,656,000	2.72%	<a href="#">View Application</a>
Tennessee	\$1,110,882,966	\$1,275,490,900	\$164,607,934	14.82%	<a href="#">View Application</a>
Utah	\$650,343,200	\$674,277,500	\$23,934,300	3.68%	<a href="#">View Application</a>
Vermont	\$62,802,571	\$69,280,867	\$6,478,296	10.32%	<a href="#">View Application</a>
Virginia	\$1,477,539,912	\$1,514,951,273	\$37,411,361	2.53%	<a href="#">View Application</a>
Washington	\$1,313,609,000	\$1,366,727,000	\$53,118,000	4.04%	<a href="#">View Application</a>
West Virginia	\$303,171,149	\$337,591,420	\$34,420,271	11.35%	<a href="#">View Application</a>
Wisconsin	\$919,800,957	\$1,049,585,702	\$129,784,745	14.11%	<a href="#">View Application</a>
<b>Totals</b>	<b>\$38,474,076,742</b>	<b>\$42,170,867,495</b>	<b>\$3,696,790,753</b>	<b>8.50%</b>	

Source: State Education Jobs Fund Applications, U.S. Department of Education.

## Appendix 2. Education Jobs Fund Applications *continued*

### Method 4. Comparison of Share of State Public Higher Education Support for FY 2006 and FY 2011

**Instructions:** For State FY 2011, the State will maintain State support for public IHEs (not including support for capital projects or for research and development or tuition and fees paid by students) at a percentage of the total revenues available to State that is equal to or greater than the percentage for State FY 2006.

**Note:** This method is available only to States with State tax collections for calendar year 2009 that are less than State tax collections for calendar year 2006.

State	State Public Higher Education Support as a Share of Total State Revenues, FY 2006	State Public Higher Education Support as a Share of Total State Revenues, FY 2011 (projected)	Percent Change in State Public Higher Education Support as a Share of Total State Revenues, FY 2006 and FY 2011 (projected)	
Florida	7.13%	7.45%	0.32%	<a href="#">View Application</a>
Idaho	11.18%	11.51%	0.33%	<a href="#">View Application</a>
Maine	7.61%	8.83%	1.22%	<a href="#">View Application</a>
Michigan	5.72%	6.21%	0.49%	<a href="#">View Application</a>
New Jersey	6.31%	6.43%	0.12%	<a href="#">View Application</a>
Ohio	7.52%	8.19%	0.67%	<a href="#">View Application</a>
<b>Totals</b>	<b>6.79%</b>	<b>7.17%</b>	<b>0.38%</b>	

Source: State Education Jobs Fund Applications, U.S. Department of Education.

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