Higher Education: Trends in State Spending and Tuition Increases

Nationally since 2000…

- o State spending on Medicaid ↑ 35.6%
- o State spending on higher education ↑6.8%
- o Tuition at a four year public university ↑ 38.2%

	Funding Levels (Fiscal Years)					Percent Increase / Decrease				Cumulative Change
State Spending	**2000**	**2001**	**2002***	**2003**	**2004**	**2000 to 2001**	**2001 to 2002**	**2002 to 2003**	**2003 to 2004**	**2000 to 2004**
Total State Higher Education Appropriations (000's)	$56,845,018	$60,690,779	$62,745,981	$62,155,526	$60,694,185	6.8%	3.4%	-0.9%	-2.4%	6.8%
Average Tuition - Public Four Year Institutions	$3,362	$3,508	$3,766	$4,098	$4,645	4.3%	7.4%	8.8%	13.3%	38.2%
Total State-Funded Medicaid Spending (000's)	$77,561,000	$85,620,000	$96,346,000	$101,807,000	$105,168,000	10.4%	12.5%	5.7%	3.3%	35.6%
Federal Spending										
Federal Speding on all Higher Education (all postsecondary education) (000's)**	$36,668,849	$40,436,408	$50,309,676	$58,676,287	$62,983,202	10.3%	24.4%	16.6%	7.3%	71.8%

* 2002 is President Bush's first budget covering the fiscal year beginning October 1, 2001.

** Includes Pell Grants, Other Student Aid (aid that passes through institutions or states: for example LEAP – Leveraging Education Assistance Partnerships and SEOG -- Supplemental Educational Opportunity Grant), Administrative costs of loan programs, Other Postsecondary Programs (e.g., Dept. of Veterans Affairs (Montgomery GI Bill), Dept. of HHS (NIH training grants), Dept. of Defense (tuition assistance for military personnel and operation of service academies), and Federally Funded Research at Postsecondary

Statistics drawn from *Federal Support for Education* : Fiscal Years 2000 to 2004 from the U.S. Department of Education, National Center for Education Statistics.

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Tennessee since 2000…

- o Tennessee state spending on Medicaid ↑ 71.1%
- o Tennessee state spending on higher education ↑10.5%
- o Tuition at a four year public university ↑ 43.4%

State Spending	Federal Spending (Fiscal Years) 2000	2001	2002*	2003	2004	Percent Increase / Decrease 2000 to 2001	2001 to 2002	2002 to 2003	2003 to 2004	Cumulative Change 2000 to 20004
Tennessee: Total State Higher Education Appropriations (000's)	$984,858	$1,039,373	$1,071,515	$1,106,889	$1,088,681	5.5%	3.1%	3.3%	-1.6%	10.5%
Tuition - The University of Tennessee	$3,104	$3,362	$3,784	$4,056	$4,450	8.3%	12.6%	7.2%	9.7%	43.4%
Tennessee: State-Funded Medicaid Spending (000's)	$1,556,000	$1,901,000	$2,241,000	$2,381,000	$2,663,000	22.2%	17.9%	6.2%	11.8%	71.1%
Federal Spending										
Federal Spending on all Higher Education (all postsecondary education) (000's)*	$36,668,849	$40,436,408	$50,309,676	$58,676,287	$62,983,202	10.3%	24.4%	16.6%	7.3%	71.8%

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