Data reported by the states in the latest Grapevine survey (Tables 1 and 2, attached) indicate that initially-approved state fiscal support for higher education in fiscal year 2018-2019 (FY19) totaled to approximately $91.5 billion, a 3.7% increase nationwide from fiscal year 2017-2018 (FY18). This continues a trend of modest annual increases in state higher education funding over the past five years (see chart at right).

The national average of 3.7% masks considerable variations across states:

- 18 reported increases of less than 3.0%, ranging from 0.2% in Delaware to 2.7% in Massachusetts;

- 25 reported larger increases ranging from 3.0% in Wyoming to 12.0% in Colorado;

- two (North Dakota, which is in the second year of its 2017-2019 biennium, and Vermont) reported that funding remained essentially the same from FY18 to FY19; and

- five reported decreases between FY18 and FY19 ranging from 0.1% in Ohio to 3.7% in South Carolina (an improvement over the last fiscal year when 20-18states reported that they had experienced declines between FY17 and FY18).

Most (69.9%) of the increase in state funding for higher education nationwide between FY18 and FY19 can be attributed to funding increases in nine relatively large states: California, Colorado, Florida, Georgia, Illinois, New York, North Carolina, Virginia, and Washington. Funding increases in each of these states ranged from $106.8 million in Virginia to $949.6 million in California. Together, these states increased funding for their higher education systems by 5.4%, while the remaining 41 states collectively increased funding by 2.1%. The one-year increase in California alone accounts for 29.3% of the total increase in state funding for higher education nationwide.

Over the longer term, total FY19 appropriations to higher education nationwide are 5.8% higher than funding made available two years ago in FY17. Nine states reported two-year gains of 10% or more, ranging from 10.4% in Rhode Island to 17.3% in Florida. In addition, another 28 states registered two-
year increases ranging from 0.1% in South Dakota to 9.3% in Idaho. But the remaining 13 states reported that their higher education systems now operate with levels of state fiscal support that are 0.2% (Ohio) to 14.6% (North Dakota) lower than the fiscal support available in FY17.

In terms of five-year trends, state support for higher education increased nationwide by 18.2% from FY14 to FY19. Fourteen states reported five-year increases of 20% or more, ranging from 20.1% in Maryland to 46.8% in Colorado. Another 28 registered five-year gains ranging from 0.5% in Illinois to 19.7% in Massachusetts. But seven states reported five-year decreases ranging from 0.9% in Iowa to 21.0% in Oklahoma. One state, New Mexico, reported no gain between FY14 and FY19.

Overall, the results of the FY19 Grapevine survey suggest modest improvements in state higher education funding. Yet the Grapevine data alone do not provide the contextual information needed to compare or rank states in terms of the fiscal health of their higher education systems. Illinois’s increase of 4.5% between FY18 and FY19, for example, follows a period of funding declines in previous years, as evidenced by the fact that FY19 fiscal support for higher education in that state is 4.8% less than funding appropriated two years earlier in FY17. Increases and decreases in funding should be interpreted in light of each state’s unique circumstances.

Other Jurisdictions

FY19 marks the third year Grapevine has included Washington, D.C., in its survey. The data reported by the District of Columbia exclude federal appropriations and reveal one-year, two-year, and five-year gains in local tax support of 11.7%, 13.9%, and 31.0%, respectively.

Grapevine also reported data for Puerto Rico in its survey for FY17. Updates for subsequent fiscal years are not yet available, but they will be posted on the Grapevine website when they are received.

About Grapevine

Grapevine data are collected annually as a joint project of the Center for the Study of Education Policy at Illinois State University and the State Higher Education Executive Officers Association (SHEEO). Tables summarizing the results of the FY19 Grapevine survey—as well as annual Grapevine reports going back to fiscal year 1961—can be found at the Grapevine website:

https://education.illinoisstate.edu/grapevine/

In addition to data on state fiscal support for higher education by state, Grapevine tables also detail regional variations in state fiscal support and note trends in state fiscal support per capita and per $1,000 in personal income.

The FY19 data were collected by Sophia Laderman of SHEEO employing an instrument that consolidates the Grapevine survey with the annual survey used by SHEEO in its State Higher Education Finance (SHEF) project (http://www.sheeo.org/projects/shef-%E2%80%94-state-higher-education-finance). Data from the Grapevine component of this consolidated instrument were sent to Illinois State University for analysis.

The intent of the Grapevine report is to provide a first, tentative look at state higher education funding in the new fiscal year. The FY19 data represent initial allocations and estimates that are subject to change. SHEEO’s annual SHEF report focuses on the most recently completed fiscal year and offers a
more complete examination of trends in total state support for higher education, factoring in enrollment, tuition, and inflation (among other variables). The SHEF report for FY18 will be released shortly by SHEEO.

_Grapevine_ data include both tax and nontax state support for the operation of institutions of higher education as well as for other higher education activities. (Prior to the survey for FY10, _Grapevine_ surveys asked for data on state tax appropriations only.) States were asked to provide data for the new fiscal year (2019) as well as revisions (if necessary) to data on file for previous fiscal years. In addition to data on funding for four-year colleges and universities, instructions asked states to include:

- sums appropriated for state aid to local public community colleges, for the operation of state-supported community colleges, and for vocational-technical two-year colleges or institutes that are predominantly for high school graduates and adult students;
- sums appropriated to statewide coordinating boards or governing boards, either for board expenses or for allocation by the board to other institutions or both;
- sums appropriated for state scholarships or other student financial aid;
- sums destined for higher education but appropriated to some other state agency (as in the case of funds intended for faculty fringe benefits that are appropriated to the state treasurer and disbursed by that office); and
- appropriations directed to private institutions of higher education at all levels.

States were asked to exclude appropriations for capital outlays and debt service, as well as appropriations of sums derived from federal sources (with the exception of ARRA monies), student fees, and auxiliary enterprises.

Different practices among the 50 states make it impossible to eliminate all inconsistencies or to ensure absolute comparability among states and institutions. In addition, the annual percent changes recorded for each state do not necessarily reflect the annual percent changes in funding for individual institutions within states.