Priced out of an education, redux

By Tom Giffey
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After I posted my previous blog entry, “Priced out of education” (which also was published in Monday’s hard-copy edition of the Leader-Telegram), I received a couple of emails saying I’d missed half of the picture in my rant about the rising cost of college. I’m accustomed to complaints about my writing, but in this case they were exactly right.

The gist of what I wrote is that middle class families such as mine eventually may not be able to afford to send their children to college because tuition costs continue to grow far faster than inflation. I used myself and my 20-month-old son as an example. UW-Madison tuition was $2,549 annually when I enrolled there in 1995-96. While overall inflation has been roughly 51 percent since then, UW-Madison tuition has grown 264 percent in that time, rising to $9,273 this fall. If that growth curve continues for the coming 17 years, tuition alone will be $33,734 when my son is old enough to attend the university in 2029. Ouch!

What was missing from what I wrote were the reasons for this spike, which I didn’t get address for reasons of length (and, frankly, writer’s fatigue).

Among the reasons — which I did allude to in the blog — are efforts on individual campuses that raised tuition. For example, in 2009 the UW System Board of Regents approved a differential tuition program at UW-Madison, dubbed the Madison Initiative, which boosts tuition by $250 each year for four years. (The increases are cumulative, so this fall — the start of the initiative’s fourth year — tuition will be $1,000 higher than it otherwise would have been for in-state undergrads.) UW-Eau Claire, meanwhile, has the Blugold Initiative, which began in the fall of 2010. After a four-year phase-in period, the initiative will increase tuition by $1,200 annually. Both initiatives were designed to boost academic programs (such as collaborative research and capstones at UW-Eau Claire) and included extra financial aid for lower-income students.

But the primary reason tuition has increased — in fact, one of the reasons individual campuses pursued these tuition-boosting initiatives in the first place — is the precipitous decline in state funding for the UW System in recent years. As one of my readers, a college professor, wrote: “Every year we get less from the state. Tuition hikes cannot keep pace and so we find ourselves dealing with larger classes, fewer offerings, overwhelmed faculty and a morale that is as bad as I have ever seen.”

The numbers tell the story. After the latest round of state aid cuts to the UW System last fall, several UW-Stout officials told us state support for their institution had fallen to 18 cents out of every dollar
they spend. As recently as the 1980s, state aid had been closer to 40 cents on the dollar. The share of the entire UW System budget supported by state taxes was 21.1 percent in 2010-11, down from 32.1 percent in 2000-01 and 36.1 percent in 1990-91.

To put it another way, in 1990, the UW System got $748 million from state taxpayers (via what budget wonks refer to as GPR, or general purpose revenue). Twenty years later, state aid had risen to $1.179 billion. However, if state aid had kept up with inflation, it would have been $1.248 billion in 2010, or $69 million more than the UW System actually received. The difference, I suspect, has largely come from the pockets of students and their parents in the form of higher tuition.

So why has the state’s share of the UW System’s budget fallen? And why has the budget of the UW System grown the way it has? How will it grow in the future, and will tuition continue to rise sharply as well? And where does that leave students and their parents? In the coming weeks, we at the Leader-Telegram intend to do our best to answer those and other weighty questions. Stay tuned.

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