



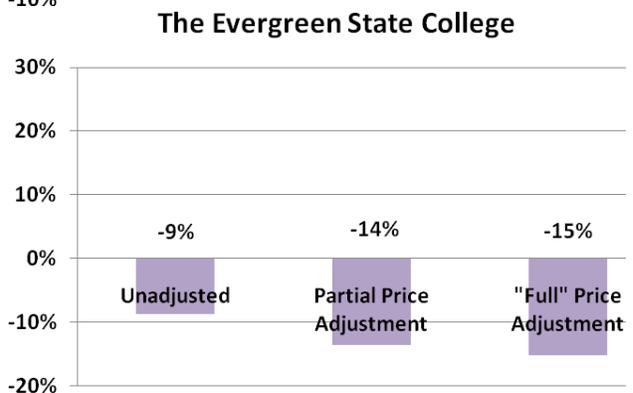
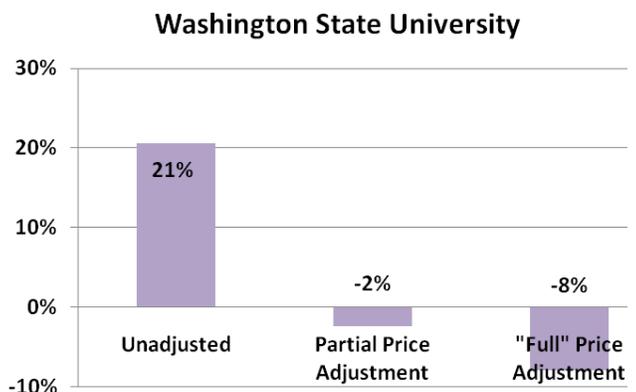
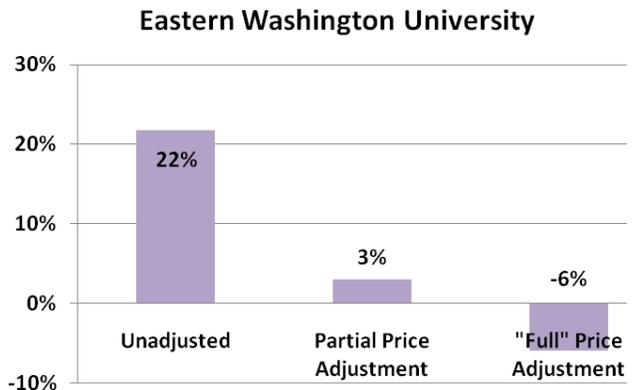
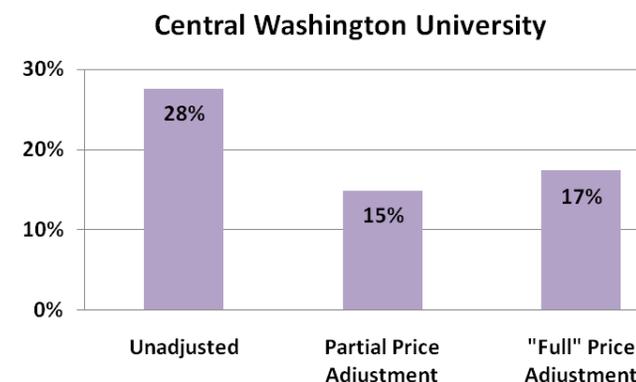
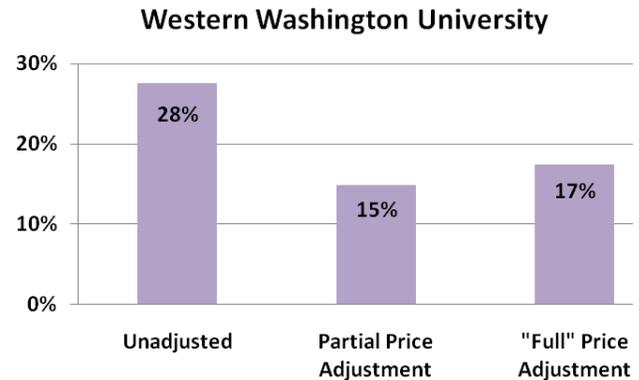
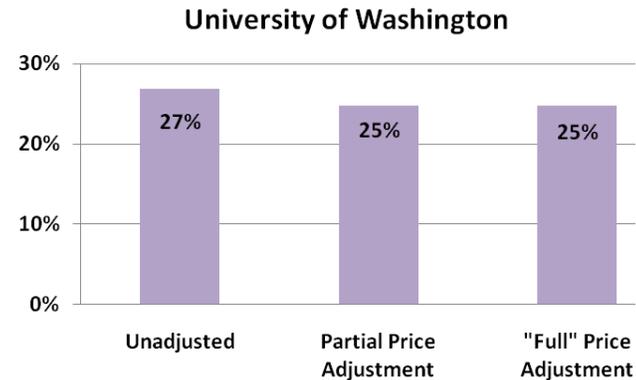
Planning and Budgeting Brief

Date Prepared: October 27, 2009

Subject: Updated Washington State Per-Student Funding Comparisons

The Office of Financial Management (OFM) is required by RCW 28B.15.068 to report on the per-student funding (tuition plus state funds) levels at each public higher education institution as well as the 60th percentile of per-student funding levels at comparable institutions in the global challenge states. OFM is also required to attempt to adjust these measures of per-student funding for regional price level differences. A draft report on these comparisons was released by OFM in September 2009. The results for each four year institution are summarized in the figures below.

Washington State 4-Year Public Colleges & Universities Percentage Per-Student Funding Would Have to be Increased to Reach 60th Percentile of Comparable Institutions in Global Challenge States Based on 2007-08 Funding Levels, with "Partial" and "Full" Adjustments for Regional Price Level Variation





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As shown, before funding levels are adjusted for regional price variation, only The Evergreen State College is funded at or above comparable institutions in Global Challenge states on a per-student basis. When adjusting for regional price levels, both WSU and EWU are also funded at or above the level of comparable Global Challenge universities.

By contrast, the institutions that are considered to be the most underfunded compared to similar global challenge institutions when adjusting for regional price level differences are WWU (17%), CWU (17%), and the UW (25%).

One cautionary note must be added about the adjustments for regional price level differences. As OFM notes in their draft publication, adjusting for regional price differences is a difficult enterprise, and there is no standard, accepted method for making such adjustments. In addition to the lack of an accepted or ideal mechanism for quantifying regional adjustments, it is also noted that while some of the costs an institution faces are subject to regional price variations (particularly compensation), others are not. As a result, OFM has included figures reflecting two different adjustments. Under the first – the “full price adjustment” the regional price factor was applied to all funds; under the “partial price adjustment” the factor is applied to only a portion of funds.

For more information, please contact Office of Planning & Budgeting, 206-543-6277