

# Frequently Asked Questions about Higher Education in South Carolina

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## **Q- Does South Carolina Really Spend an Unusually Higher Percentage of the State Budget on Higher Education?**

**A-** Actually, it's the other way around. The 17% plus figure that you sometimes hear is state "authorized" funding, which includes such non-state revenues as tuition, federal and other grants, athletic and dormitory revenue, etc. Amazingly, the number includes both scholarships and tuition separately—counting the same funds twice. The actual percent of the state's budget for higher education is 11.7% (13.3% including scholarships). Since few other states require central "authorization" of college and university expenditures, South Carolina appears high in some listings if you don't look at the definitions. Using an apples-to-apples comparison we currently rank 38<sup>th</sup> among the states and 15<sup>th</sup> out of the 16 states in the South in support for higher education. These rankings include state scholarship funding which is not aid to the colleges and universities but to the taxpayers.

## **Q- Do Public Funds Directly or Indirectly Subsidize Out-of-State students at South Carolina Colleges and Universities?**

**A-** Again, it's the other way around. Over the past three years, South Carolina has averaged 14,835 out-of-state full-time equivalent (FTE) undergraduate students. Each of these students was assessed the regular tuition and fee rate plus an out-of-state differential set by each college and university. CHE's review of the available data concludes that the combination of tuition, fees, and out-of-state differential exceeds the cost of educating the out-of-state students served. The assertion that South Carolina's taxpayers support out-of-state students is demonstrably incorrect.

## **Q- Is Online Education Less Expensive than Classroom Instruction?**

**A-** The popular perception that colleges and universities could save huge amounts of money by putting all their courses online is not supported by evidence. For example, some studies have shown that online education is more expensive because of lower student-instructor ratios, increased faculty training, and infrastructure costs such as computer servers and software. This perspective is illustrated by the fact that a major for-profit organization that offers both online and traditional programs, the University of Phoenix, actually charges more for online instruction because of higher costs.

There is other research, however, that shows a reduced cost for on-line instruction as a component of regular instruction when the training and infrastructure to support on-line courses is already in place, especially when it is a component of regular instruction such as blended courses, which use a combination of traditional and on-line instruction. Blended courses have been used to reduce the scheduling load on existing classrooms at many institutions, leading to reduced capital costs while meeting student demand.

Finally, it's important to emphasize that online courses and programs, even if somewhat more expensive, can be critical to the success of non-traditional students who often need to fit coursework into a schedule which includes work and family demands.

**Q- Isn't the problem with higher education in South Carolina unnecessary duplication? Don't we have too many campuses and too many programs?**

**A-** Unnecessary duplication is something we should always be concerned about, but the evidence doesn't support the idea that it's a significant problem in South Carolina (note that we say 'unnecessary' duplication since some overlap is unavoidable—for example, all undergraduate campuses teach freshman English). Consider these points:

- South Carolina does not have an unusual number of public institutions. In fact, the state ranks near the middle in terms of the number of public institutions per capita.
- Given the fact that South Carolina ranks 40<sup>th</sup> in terms of the number of residents holding a baccalaureate degree, access to higher education institutions and specific degree programs is more critical than ever. And with transportation impractical, if not impossible, for many students, institutions must be accessible locally rather than regionally, especially for technical college and baccalaureate programs.
- South Carolina's Commission on Higher Education regularly reviews programs for efficiency and productivity and regularly removes those that don't meet rigorous standards.
- Compared to most states, we have relatively few programs at the most expensive levels – doctoral and professional. Programs where duplication exists are those serving place-bound professionals (education; nursing; business) or fields where we are not generating enough graduates to meet workforce needs (medicine; engineering; physical sciences). Moreover, our research universities are working together to create even greater synergy—for example, USC and MUSC have merged their colleges of pharmacy.
- At the undergraduate level, the mix of programs offered reflects both student demand and the core of programs offered by fully accredited, full-service institutions. With few exceptions the cost per undergraduate FTE is comparable. High cost undergraduate programs are carefully considered prior to Commission approval and evaluated against existing capacity and workforce demands (e.g., nursing).
- In order to avoid the creation of additional institutions or unnecessarily duplicative expansion of the role and mission of existing institutions, public institutions are working to share resources through such entities as the Greenville University Center and the Lowcountry Graduate Center.

The fact that South Carolina's public higher education is comparatively very efficient doesn't mean that we can't do more. We are aggressively exploring shared degree programs for adults, shared computer systems, and more.