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Quality Cutting: Perceived Faculty and Staff Effects of State Budget Cuts on Institutional Quality

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Abstract Product degradation is the deterioration of a commodity over time. Since the beginning of the 21st century, higher education in South Carolina has engaged in a process of cutting state funding to higher education. During this process questions emerged on the effects of the cuts on the many education programs that depend on state funding. The purpose of this study was to measure the perceptions of university faculty and administrators' concerning the recent budget cuts in South Carolina and determine if the term product degradation can be appropriately applied to the educational product at state-supported four-year institutions in South Carolina.

Keywords Higher education · Academic quality · Higher education funding · Product degradation

Introduction

Like any other state at this time, South Carolina finds itself within an economic downward cycle. Financial obligation to cover federally sponsored programs (e.g. Medicare, Medicaid, and No Child Left Behind) has hindered the state from effectively funding other state services including higher education. Therefore, higher education has increasingly become unaffordable for state residents. In fact, so much so that according to an article found in the Chronicle of Higher Education (South Carolina 2004), South Carolina now has more residents that live below the poverty level (14.7%) than hold at least an undergraduate degree (13.5%).

The effects of state budget cuts do more than make college unaffordable to the population. Cuts to the education and general funds (E&G) of state institutions cause

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higher education institutions to cut programs and services, cancel professional development opportunities for faculty and staff, delay necessary facility renovations and construction, layoff employees, etc. Unfortunately, the perception of this process leaves many to believe that the quality of higher education suffers due to state budget cuts.

Brinkman and Morgan (1995), postulate that inevitably reductions in state allocations for higher education will lead to what they describe as "product degradation" (p.17). The product as defined by Brinkman and Morgan is a well-qualified graduate or the advancement of knowledge through teaching and research. As services and programs are cut from the institutional agenda due to a lack of funding, a simultaneous reduction in quality also occurs. The best way to summarize this argument is to say that if higher education's product is the advancement of knowledge, and faculty positions go unfilled, or research dollars are cut then not enough resources would be available.

The financial problems facing the Palmetto State and its higher education system is a problem that other states are facing as well. Because of reductions in state allocations, institutions of higher education have had to adopt creative budget methods in order to balance the budget, maintain essential services, and continue to provide a quality educational product. This of course has meant that some services have had to be reduced or cut altogether (Education and the Economy 2002). This also meant that the institution placed a greater emphasis on other sources of funding (i.e. tuition, private donations, and endowment). Nationally, when state budget committees look to determine the budget for the next fiscal cycle, higher education as an expense line is often vulnerable, given higher education's access to other areas of discretionary funds (Selingo 2003). This exercise is not uncommon in South Carolina and it is one that has led to a mass amount of uncertainty among those who work in South Carolina's public institutions.

Higher education in South Carolina is facing a budget crisis. Between 2000 and 2008, higher education E&G funds were cut in every year with the exception of 2005 where the state colleges and universities overall received a 5% increase. This was the largest increase in several years, however "most of the additional money… came from reserve accounts and other nonrecurring sources of funds, meaning that public colleges could easily see the state's money evaporate in a few years" (Schmidt 2005, ¶9). With most of the money dedicated to education in the state and with federal stimulus money not being a reoccurring source of revenue, this same scenario will repeat itself again for the 2011 fiscal year in South Carolina with Governor Mark Sanford being required to apply for the more than $700 million dollars in federal stimulus money (Brundrett 2009).

Funding for higher education from federal stimulus dollars could potentially alter a very dire situation in the state's higher education system; one that has been growing for some time. In 2008, South Carolina was forced to engage in a $488 million dollar cut to the state's operating budget, "with much of those cuts targeting state colleges and universities" (Moore 2008, ¶1). Nationwide, a total of 14 states reported reductions in tax supported allocations set aside for their state higher education system. Of these 14 states, South Carolina's budget shortfall resulted in

the largest reduction reported totaling 17.7% (Kelderman 2009). Like before, with so many competing interests in this current budget cycle, higher education is seen as a viable source for state legislatures to recoup funding and balance the budget (Solomon 2009). In 2004, *The Report Card on Higher Education* named South Carolina as one of three states that received the grade of "F" on college affordability (Devarics 2004). On the same report in 2006, South Carolina once again received an "F" on affordability, being 1 of 43 states to do so (Measuring Up 2006). Problems focusing on affordability aside, with essential programs and services becoming increasingly underfunded, South Carolina faces a crisis.

The economy in South Carolina

In South Carolina a majority of the population has not achieved beyond a high school diploma (South Carolina 2004), and good paying blue-collar work has been rare. New jobs are not coming into the state at a rate equal to the amount of jobs leaving (DuPlessis 2004), and the state's unemployment rate hit a 15-year high at the end of 2005 (DuPlessis 2004). In 2009, with much of the nation in economic turmoil South Carolina has "the nation's third highest jobless rate" (Davenport 2009, ¶1). According, to U.S. Bureau of Labor Statistics (2009) unemployment peaked at 11.8% in July 2009. Almost, four percentage points higher than the 2005 unemployment rate mentioned in this article.

Proud of its blue-collar heritage, South Carolina's job outlook is contributing to the unemployment rate. With its proud tradition in textiles rapidly declining, South Carolina is in the process of searching for a new economic identity. Because of unemployment or low paying employment, according to an article found in the *Chronicle of Higher Education* (South Carolina 2004), in 2004 there were more people living below the poverty line in South Carolina (14.7%) than the number of people who possessed an undergraduate degree (13.5%).

In 2005, the statistics showed a slight change where the number of people in the state with at least a bachelor's degree rose to 15.7% and the poverty level declined to 13.5% (Schmidt 2005). There was also a rise in the number of residents who possessed a graduate level degree at 7.5% (up from 6.9% in 2004). Even the high school drop-out rate dropped from 11% in 2004 to 7% in 2005. This of course gave hope to the people of South Carolina that things were on their way towards turning around before the economic downturn in 2008 and 2009.

America's public colleges and universities receive a majority of their financial support from the states. According to the National Center for Educational Statistics, the federal government accounted for 11.2% of the funding that all institutions received, both public and private, in 2001 (Current Fund Expenditures 2004). The state governments accounted for 35.6% of education funding which is more than three times the funding institutions received from the federal government and almost twice the amount institutions receive from tuition and fees (18.1%). In the 1980–81 academic year, state governments accounted for 45.6% of financial support for public colleges and universities. During the 1990–91 academic year, state governments accounted for 40.3% of financial support for public colleges and universities.

At 35.6% in the 2000–01 academic year, state support has continued to drop while the administrative costs of colleges have continued to rise. In South Carolina in 2000–01, the federal government contributed $260,339,000 to public higher education. The state contributed more than three times this amount ($944,679,000) to public education. In comparison, these dollars translate to 11.5% of total state funding coming from the federal government, but 41.8% of state higher education funds derived from the state itself.

The federal government is responsible for placing most of the responsibility of college affordability on the state. It used to be, beginning with the Higher Education Act of 1965, a large collaboration between the federal government and the states whereas the federal government would provide grants and loans for all students needing them and colleges would continue to keep tuition low and affordable (Burd 2005). This partnership was soon dissolved as "students around the country [began] feeling the pinch of rising costs and sluggish funding for state and federal grants" (Feemster 2005, ¶11). In addition, pressures from the federal government for states to increase funding in other areas have caused states to reallocate funding from certain areas in order to comply with federal mandates. With the national government's requirement to increase state funding of Medicare, Medicaid, as well as other national medical programs (Footing the bill 1996) and No Child Left Behind legislation (Resnick 2004), state governments have had to decrease funding in other areas. As a result, higher education in this state has received a low priority in state budget talks compared to other state expenditures particularly the number of state residents who have little or no health insurance coverage, providing for families living below the poverty line, providing for assistance programs such as Medicare and Medicaid, and providing more financial assistance to public K-12 educational institutions due to more expenditures related to No Child Left Behind (Resnick 2004). With this happening it has meant little money available in the state budget for higher education and what has resulted is more cuts over the last several years (Arnone et al. 2003). According to a report from the Center for Higher Education at Illinois State University in *Education Marketer* magazine (Higher Education 2004) state appropriation fell in the 2003–04 academic year due to decreased tax revenues. Nationwide, revenues slid 2.1% to $60.3 billion dollars. However, South Carolina had the 3rd highest decrease in state appropriations nationwide with 10% being cut from the higher education budget.

This type of scenario typically leads to state institutions passing the brunt of these cutbacks onto students. In the 2001–2002 academic year Clemson University (Clemson, SC) raised tuition by 25% for in state residents in order to keep essential programs and services operational (Education and the Economy 2002). This is in addition to the 15% total Clemson has raised tuition from 1997 to 2000. Both of the state's major public institutions (Clemson University and University of South Carolina) have had to raise tuition approximately $976 for Clemson ($379 for South Carolina) to start the Fall 2005 semester (Williams 2005). Clemson has raised tuition in subsequent years including the 2008 fiscal year where tuition was set to increase 5.5%, for in-state students, over 2007 levels (Carey and Hatter 2008). The University of South Carolina announced tuition increases in 2009 in the amount of

3.6% resulting in an increase of approximately $300 per student and other campuses of the USC system saw tuition increases from 4.9% to 5% (State Trustees 2009). South Carolina State University also reported a tuition increase for the upcoming academic year resulting in an increase of 8.4% (Washington 2009).

Having now a greater responsibility in funding public higher education, state legislatures place more emphasis on accountability of dollars. With college affordability declining in almost every state after 1980 "there were substantial differences among the states in public college prices and the availability of state financial aid" (Mumper 1995, p.140). The differences in cost and state financial aid have a direct correlation with the commitment level of state legislatures in the allocation of state resources in higher education. In the January 2005 session of the South Carolina State Legislature (116), a proposed amendment to the 1976 Code of Laws of South Carolina called for all state agencies including colleges and universities to make a report to the state government every 6 months on the justification of dollars from any source and how those funds have benefited the residents of the state (South Carolina Legislature 2005). While this is a reasonable request by the legislature, it does also highlight the need of the state to monitor how funds are spent and ensure that funds are being spent wisely.

Quality, accountability, and affordability are key words to think about when considering the direction of higher education in America. Each term is important and carries equal weight in the minds of constituents. Consumers want access to institution's that are high in quality and easily affordable. In South Carolina, the general perception concerning higher education is that it is difficult to maintain a quality educational product in the face of shrinking appropriations. Perhaps in this scenario perception equals reality, which would be unfortunate for those that ultimately, must choose between quality and affordability.

Methodology

In their research on higher education finance, Brinkman and Morgan (1995) discussed the "economic and political limits to revenue growth as a long-term strategy" (p.10). This study was created to identify the limits of South Carolina higher education relying on sources of revenues to build its product. If expected revenues were taken away, either through budget cuts, changes in administrative priorities, or through economic changes, how does that affect the quality of higher education offerings? Brinkman and Morgan argue that the end result would be "product degradation" (p.17), or the diminishing effect of higher education to expand the field of knowledge through teaching and research.

This study was designed to identify a potential relationship between the higher education budget cuts that have occurred over most of the first decade in the new millennium and the quality of South Carolina higher education. Seeking the opinions of those at different levels in higher education administration and instruction, this study reviewed their perceptions to see if these participants believed that a correlation existed between lower state appropriations and the quality of their

institution's academic and student support programs. Brinkman and Morgan (1995) suggest that this correlation exists especially among public institutions and that these schools have more students than available resources necessary to educate them.

Participants

Participants for this study were chosen from the state's higher education system. The opinions of those most familiar with higher education budgets and accountability, or university leadership, were sought. The study surveyed university administrators (n= 12) of South Carolina's institutions of higher education (i.e. 4-year public, 4-year private, 2-year public, and 2-year private). Participants were not randomly selected, but were identified through expert sampling. All participants have worked in higher education within the state of South Carolina for at least one year.

Instrumentation

A survey instrument was designed for this study to review common activities among the state's higher education institutions and identify in what areas a perceived degradation took place. Six major categories of higher education activities were identified for a historical view from 3 years prior and 5 years prior (a) *student to instructor ratio of classes,* (b) *maintaining staffing levels*, (c) *retention rate of faculty and staff,* (d) *creation of new faculty and staff positions,* (e) *current technology available in classrooms,* and (f) *quantity of new computer technology purchased*. The instrument also included 13 other categories to review participant satisfaction with the campus activity and opinion on if state support of the activity enabled or impeded its implementation. Those categories were (a) *provide financial aid for students,* (b) *prevention of tuition increases,* (c) *make necessary repairs and renovations to university facilities,* (d) *fund student activities and student programming,* (e) *construct new university facilities,* (f) *provide adequate university parking,* (g) *recruit top students from local area,* (h) *provide opportunities for faculty and staff professional development,* (i) *increase library resources,* (j) *improve campus information technology infrastructure,* (k) *provide resources to disadvantaged students,* (l) *increase student service-learning opportunities,* (m) *increase faculty staff compensation.*

The instrument was divided into six separate parts. The parts of the study included (a) *demographic information,* (b) *participant satisfaction with instruction and instruction support,* (c) *opinions on state support,* (d) *satisfaction with various other university activities,* (e) *opinions on state support for other activities,* and (f) *additional comments.* For questions relating to satisfaction with institutional activities the five point likert scale ranged from "very dissatisfied" to "very satisfied." For questions relation to opinions on state funding and whether state funds "enabled" or "impeded" the successful implementation of the university activity, the three point likert scale included these two measures with the additional "neither enabled or impeded" between the two extremes. For more information see the Appendix.

Data collection

The survey collected data on the growing concerns about higher education funding and identified if those most familiar with the comprehensive needs of higher education institutions felt that state funding in South Carolina was adequate enough to support those needs. As stated previously the study utilized a method called expert sampling to identify specific individuals within each higher education setting to recruit for this study. Those that were identified as potential participants were sent documentation of informed consent and a link to the online survey supported by Survey Monkey®.

Research questions

This survey was created to address the four research questions of this study.

1. What are the perceptions of university administrators concerning the quality of higher education in South Carolina?
2. Do college administrators perceive that state funding of higher education is adequate?
3. To what extent do college administrators perceive that the term "product degradation" accurately describes their institution's educational product over the last 5 years?
4. If product degradation is perceived to be a problem, what functional areas have been degraded as a result of declining state funding?

Results and findings

This research study addressed the effects of state budget cuts to state higher education institutions and educational program quality and reviewed perceptions of university administrators on state funding allocations for higher education. Findings reported were based upon the responses of the university administrators in the state of South Carolina that participated in this study. Questions of satisfaction with university services and programs as well as questions pertaining to perception of state funding allocations were asked of all respondents.

The data collected in this study showed that respondents overall were generally satisfied with the quality of their institution's educational product as identified by six categories (a) student-to-instructor ratio, (b) maintaining staffing levels, (c) creating new faculty and staff positions, (d) classroom technology, and (e) the availability of newer forms of computer technology. Looking at Table 1, respondents were less satisfied with the quality of their institution's academic support services in 2006–07 than they were 5 years prior. Respondents were also more satisfied with their institution's academic support services more so 5 years prior than 3 years prior and respondents were more satisfied with academic services in the 2006–07 academic

Table 1 Satisfaction with university services and activities

University activity	2006–07 M	2006–07 SD	3Y M	3Y SD	5Y M	5Y SD
Student to instructor ratio	3.62	1.04	3.29	1.20	4.22	.83
Maintain staffing levels	3.08	1.44	3.00	1.08	3.67	.87
Create new positions	2.92	1.25	2.69	1.32	3.22	1.20
Classroom technology	3.38	.96	3.46	1.05	3.40	1.26
New computer tech.	3.46	.97	3.33	1.15	3.50	1.08
Financial aid for students	2.71	1.07	–	–	–	–
Prevent tuition increases	2.28	1.07	–	–	–	–
Repairs and renovations	2.71	1.20	–	–	–	–
Student activities	2.93	1.14	–	–	–	–
New construction	2.40	1.35	–	–	–	–
Parking	2.79	1.53	–	–	–	–
Recruit top students	3.67	.90	–	–	–	–
Faculty/staff development	2.93	1.16	–	–	–	–
Library resources	3.53	.83	–	–	–	–
Campus IT infrastructure	3.60	1.06	–	–	–	–
Disadvantaged students	2.60	.99	–	–	–	–
Service learning activities	3.13	1.06	–	–	–	–
Compensation	2.20	1.26	–	–	–	–

3Y M=Average score about perspectives 3 years ago. 3Y SD=Standard deviation of scores about perspectives 3 years ago. 5Y M=Average score about perspectives 5 years ago. 5Y SD=Standard deviation of scores about perspectives 5 years ago. In the scale 1=Very Dissatisfied, 2=Dissatisfied, 3=Neither Satisfied or Dissatisfied, 4=Satisfied, and 5=Very Satisfied

year than 3 years prior. This is true in each category with the exception of classroom technology, where respondents were satisfied more so 3 years prior than in the other time periods surveyed.

The following categories were perceived by respondents as areas that are positives for the state higher education system (positive categories are considered those in which the mean for satisfaction scores were greater than 3.00 on a five point likert scale where the median is 3.00), (a) recruiting top students in the area, (b) library resources, (c) campus IT infrastructure, and (d) the availability of service learning opportunities for students. These were areas that respondents were satisfied with their institutions ability to provide a quality program or service. Absent information on state funding, generally institutions in South Carolina performed high in these areas.

There were three categories that the perception of respondents were areas in which their specific institution did not meet personal expectations therefore leaving respondents generally dissatisfied with the college or university's ability to deliver a quality product ($n<2.5$). Those areas were (a) the institution's ability to prevent increases in tuition, (b) implementing the construction of new campus facilities, and (c) appropriate compensation for faculty and staff for services rendered. Again, these

responses were absent of perceptions of state funding enabling the institution to perform the stated activity.

Respondents had mixed reviews over several university activities and are therefore listed as undecided (2.99>n>2.5). The following university activities were listed here (a) student activities, (b) faculty and staff development opportunities, (c) providing financial aid for students, (d) making necessary repairs and renovations, and (e) providing assistance for disadvantaged students.

Respondents were less optimistic about the state's funding of institutional activities than with the quality of those activities. For these questions, a positive perception was considered to be a mean of >2.00 (on a three point likert scale where the median is 2.00). For perceptions listed as negatives, the mean score were <1.50. When asked, respondents listed one activity in which it was believed that the state enabled the university to provide a quality product, this was being able to recruit top students from the area. There were, however, three categories in which respondents stated that state-funding efforts impeded their institution's ability to create a quality product. Those activities were (a) maintaining faculty and staff levels, (b) prevention of tuition increases, and (c) providing adequate compensation for faculty and staff. The remaining categories were listed as undecided if state funding enabled or impeded university practices (a) student to instructor ratio, (b) creation of new faculty and staff positions, (c) classroom technology, (d) providing financial aid for students, (e) making necessary repairs and renovations, (f) student activities, (g) construction of new facilities, (h) providing adequate parking, (i) opportunities for faculty and staff development, (j) library resources, (k) adequate campus information technology infrastructure, (l) resources for disadvantaged students, and (m) opportunities for students to engage in service learning. Of those categories listed as undecided, four out of the five categories were areas that were direct contributors to the student academic experience. Those areas were (a) resources for disadvantaged students (1.93), (b) providing financial aid for students (1.93), (c) adequate campus information technology infrastructure (1.85), and (d) student to instructor classroom ratio (1.80). The other category among the top five of those that were undecided was construction of new facilities.

Overall, opinions of state funding allocations for higher education were not high. There was only one functional area in which respondents believed state funding actually enabled or helped their institution obtain success (recruiting top students) as opposed to three areas where clearly the perceptions of respondents were that state funding impeded their institution's ability to achieve success (maintaining staffing levels, prevention of tuition increases, and compensation). With 13 categories where it was not clear whether or not state funding allocations supported or impeded university activities, a lack of confidence by university administrators in the state's ability to adequately fund different functional areas was demonstrated. Overall, state funding allocations were not perceived to have impeded the success or reduce the quality of educational activities, however budget allocations were not perceived to have helped either.

To what extend do college administrators perceive the term "product degradation" can actively describe their institution's educational product over

the last 5 years? A one-way analysis of variance (ANOVA) was used in conjunction with descriptive data to answer this question. Looking back at the information in Table 3, historical data was collected on five areas related to higher education academics. Those categories again were (a) student to instructor ratio, (b) maintain staffing levels, (c) creation of new faculty and staff positions, (d) classroom technology, and (e) the availability of new computer technology on campus (Table 2).

Table 3 shows us that in each category, satisfaction among participants was higher 5 years prior in each category than in the 2006–07 academic year. Respondents were less satisfied with these activities 3 years priors than 5 years prior, with the exception of satisfaction with classroom technology. Respondents perceived there was a higher quality product during the 2006–07 academic year than 3 years prior, however overall mean scores were still lower than the 5 years prior period.

Using the one-way ANOVA the calculated sample mean from each grouping was used to compare variances in responses. The alternate hypothesis (H_1) stated that at least one population mean was different from the others; meaning institutions representing a specific Carnegie level were perceived to be more affected by budget allocations than other Carnegie levels. In terms of satisfaction with institutional quality, the null hypothesis was rejected in several different categories. However, there were a couple of categories that consistently were statistically significant in the satisfaction questions and state funding questions. Those areas were retention rate of faculty and creation of new faculty and staff positions. Another category that consistently showed variance among the different Carnegie levels in the state funding questions was student to instructor ratio.

In the results of the one-way ANOVA when analyzing the population means for perceptions of state funding for various university activities and services, the data shows that for the various activities from the 5 years prior time period the null hypothesis was rejected in the following categories (a) student to instructor ratio ($p=.027$), (b) retention rate of faculty ($p=.050$), and (c) creation of new faculty and staff positions ($p=.043$). According to the data on perceptions of state funding practices from the 3 years prior time period, four activities or services had statistically significant variances among population means. Those activities were (a) student to instructor ratio ($p=.066$), (b) maintain staffing levels ($p=.006$), (c) retention rate of faculty and staff ($p=.006$), and (d) creation of new faculty and staff positions ($p=.006$). According to the data on perceptions of state funding practices from the 2006–07 academic year, three categories met the criteria for significance (a) student to instructor ratio ($p=.059$), (b) creation of new faculty and staff positions ($p=.016$), and (c) availability of new computer technology ($p=.076$). Given that different Carnegie level groups had varying perspectives some perceived effect did occur as a result of state funding in these areas. Unsurprisingly, perceptions of inadequate state funding and degradation in these categories were strongest among administrators from doctoral-granting institutions in the state.

Table 2 Adequacy of state funding for university activities

University activity	2006–07 M	2006–07 SD	3Y M	3Y SD	5Y M	5Y SD
Student to instructor ratio	1.80	.79	1.73	.79	1.64	.81
Maintain staffing levels	1.45	.82	1.55	.82	2.00	.76
Create new positions	1.58	.79	1.55	.82	1.67	.87
Classroom technology	1.75	.87	1.82	.87	1.78	.97
New computer tech.	1.91	.83	1.82	.87	1.78	.97
Financial aid for students	1.93	.96	–	–	–	–
Prevent tuition increases	1.14	.53	–	–	–	–
Repairs and renovations	1.77	.83	–	–	–	–
Student activities	1.77	.73	–	–	–	–
New construction	1.85	.80	–	–	–	–
Parking	1.62	.51	–	–	–	–
Recruit Top Students	2.00	.78	–	–	–	–
Faculty/Staff development	1.69	.75	–	–	–	–
Library Resources	1.79	.58	–	–	–	–
Campus IT infrastructure	1.85	.80	–	–	–	–
Disadvantaged students	1.93	.92	–	–	–	–
Service learning activities	1.79	.80	–	–	–	–
Compensation	1.38	.65	–	–	–	–

3Y M=Average score about perspectives 3 years ago. 3Y SD=Standard deviation of scores about perspectives 3 years ago. 5Y M=Average score about perspectives 5 years ago. 5Y SD=Standard deviation of scores about perspectives 5 years ago. In the scale 1=Impeded, 2=Neither Impeded or Enabled, and 3=Enabled

Table 3 Adequacy of state funding for university activities

University activity	5 years ago		3 years ago		2006–07 AY	
Student to instructor ratio	4.22	1.80	3.28	1.73	3.61	1.64
Maintain staffing levels	3.67	1.45	3.00	1.55	3.07	2.00
Create new positions	3.22	1.58	2.69	1.55	2.92	1.67
Classroom technology	3.40	1.75	3.46	1.82	3.38	1.78
New computer tech.	3.50	1.91	3.33	1.82	3.46	1.78

Column one in each time frame is the calculated mean for respondents' satisfaction with quality of university activities. The scale for column one is 1=Very Dissatisfied, 2=Dissatisfied, 3=Neither Satisfied or Dissatisfied, 4=Satisfied, and 5=Very Satisfied. Column two is respondents' perception of level of funding from the state. The scale for column two is 1=Impeded, 2=Neither Impeded or Enabled, and 3=Enabled

One final question to address is what are the functional area(s) that have been degraded as a result of declining state funding? The functional areas most affected by these cuts were those areas related to human resources. The largest expenditure any institution in the state of South Carolina has is the investment in its personnel. Adequate funding for personnel was one key area in which overall respondents felt that the state impeded university progress. Those areas such as instructor to student ratio, retention rate of faculty, creation of new faculty and staff positions, maintaining current staffing levels, and appropriate compensation for faculty and staff, all fall within the human resources category. This point was further highlighted when respondents were asked how has funding declines affected the delivery of instruction programs and services when respondents stated that they were being required to do more work with less available resources. Also, respondents stated that faculty and staff positions were being required to go unfilled, while still providing the same level of service to an ever-growing undergraduate population.

Conclusion

Funding trends over the last 20 years show that the federal government is placing most of the responsibility of college affordability on the state. As a result, America's public colleges and universities receive a majority of their financial support from the states. Due to federal laws (e,g, No Child Left Behind), state governments have had to decrease funding in other areas to comply with funding mandates. As a result, higher education in South Carolina has received a low priority in state budget talks compared to other state expenditures. With this happening it has meant little money available in the state budget for higher education and what has resulted is more cuts over the last several years.

Quality, accountability, and affordability are key words to think about when considering the current direction of higher education in America. Each term is important and carries equal weight in the minds of constituents. Brinkman and Morgan (1995), postulate that inevitably reductions in state allocations for higher education will lead to what they describe as "product degradation" (p.17), or the reduction of quality of academic programs.

This study attempted to show the validity of Brinkman and Morgan's (1995) concept of product degradation in that with increased budget cuts the educational product (academic quality) would suffer. This study did provide evidence that one functional area has suffered due to increased budget pressure and it is an area that influences the academic arena. That area is the availability of adequate human resources. In the areas of academic quality and student support services however, this study shows the opposite to be true. Perceptions from participants in this study show that the quality of higher education was not significantly affected by budget cuts. This of course comes from the idea that faculty and staff are required to do more work with eroding resources, thus allowing for the continued quality of the educational product.

Appendix current trends in resource allocation of state funds © 2009

1. Demographic Information (I would move this to under Introduction.)

A. Institution size – full-time equivalent enrollment, undergraduate and graduate (Please check one.):

___ 0-4999
___ 5000-9999
___ 10,000-14,999
___ 15,000-19,999
___ 20,000 +

B. What is your current Carnegie level or institution type:

_____

2. Overall Satisfaction with Instruction/Instructional Support

Rate your level of satisfaction in each of these categories using the following scale: 5= Very Satisfied; 4=Satisfied; 3=Neither Satisfied or Dissatisfied; 2=Dissatisfied; 1=Very Dissatisfied

VS VD
5 4 3 2 1 Student to instructor ratio of classes in 2006-07
5 4 3 2 1 Maintained staffing levels (faculty and staff) in 2006-07
5 4 3 2 1 Retention rate of faculty and staff in 2006-07
5 4 3 2 1 Creation of new faculty and staff positions as needed in 2006-07
5 4 3 2 1 Classrooms possess current technology for instruction in 2006-07
5 4 3 2 1 Quantity of new computer technology purchased in 2006-07

5 4 3 2 1 Student to instructor ratio of classes 3 years ago
5 4 3 2 1 Maintained staffing levels (faculty and staff) 3 years ago
5 4 3 2 1 Retention rate of faculty and staff 3 years ago
5 4 3 2 1 Creation of new faculty and staff positions as needed 3 years ago
5 4 3 2 1 Classrooms possess current technology for instruction 3 years ago
5 4 3 2 1 Quantity of new computer technology purchased 3 years ago

VS VD
5 4 3 2 1 Student to instructor ratio of classes 5 years ago
5 4 3 2 1 Maintained staffing levels (faculty and staff) 5 years ago
5 4 3 2 1 Retention rate of faculty and staff 5 years ago
5 4 3 2 1 Creation of new faculty and staff positions as needed 5 years ago
5 4 3 2 1 Classrooms possess current technology for instruction 5 years ago
5 4 3 2 1 Quantity of new computer technology purchased 5 years ago

3. Opinion of State Support for Instruction

In your opinion, to what extent has state funding trends in the specified time frames impeded or enabled the following activities. Use the following likert scale: E=Enabled; N=Neither; I=Impeded

E Student to instructor ratio of classes in 2006-07
E N I Maintained staffing levels (faculty and staff) in 2006-07
E N I Retention rate of faculty and staff in 2006-07
E N I Creation of new faculty and staff positions as needed in 2006-07
E N I Classrooms possess current technology for instruction in 2006-07
E N I Quantity of new computer technology purchased in 2006-07

E N I Student to instructor ratio of classes 3 years ago
E N I Maintained staffing levels (faculty and staff) 3 years ago
E N I Retention rate of faculty and staff 3 years ago
E N I Creation of new faculty and staff positions as needed 3 years ago
E N I Classrooms possess current technology for instruction 3 years ago
E N I Quantity of new computer technology purchased 3 years ago

E N I Student to instructor ratio of classes 5 years ago
E N I Maintained staffing levels (faculty and staff) 5 years ago
E N I Retention rate of faculty and staff 5 years ago
E N I Creation of new faculty and staff positions as needed 5 years ago
E N I Classrooms possess current technology for instruction 5 years ago
E N I Quantity of new computer technology purchased 5 years ago

4. Overall Satisfaction with Other University Activities
Rate your level of satisfaction in each of these categories using the following scale: 5= Very Satisfied; 4=Satisfied; 3=Neither Satisfied or Dissatisfied; 2=Dissatisfied; 1=Very Dissatisfied

VS VD
5 4 3 2 1 Provide financial aid for students
5 4 3 2 1 Prevention of tuition increases
5 4 3 2 1 Make necessary repairs and renovations to university facilities
5 4 3 2 1 Fund student activities and student programming
5 4 3 2 1 Construct new university facilities
5 4 3 2 1 Provide adequate university parking
5 4 3 2 1 Recruit top students in your area
5 4 3 2 1 Provide opportunities for faculty and staff professional development
5 4 3 2 1 Increase library resources
5 4 3 2 1 Improve campus information technology infrastructure
5 4 3 2 1 Provide resources for disadvantaged students
5 4 3 2 1 Increase student service-learning opportunities
5 4 3 2 1 Increase faculty and staff compensation

5. Opinion of State Support for Other University Activities
In your opinion, to what extent has state funding trends impeded or enabled your institution's ability to fund the following university activities. Use the following likert scale: E=Enabled; N=Neither; I=Impeded

E N I Provide financial aid for students
E N I Prevention of tuition increases
E N I Make necessary repairs and renovations to university facilities
E N I Fund student activities and student programming
E N I Construct new university facilities
E N I Provide adequate university parking
E N I Recruit top students in your area
E N I Provide opportunities for faculty and staff professional development
E N I Increase library resources
E N I Improve campus information technology infrastructure
E N I Provide resources for disadvantaged students
E N I Increase student service-learning opportunities
E N I Increase faculty and staff compensation

6. Opinion of State Support for Other University Activities
If state funding trends for operations (E&G) to your institution has declined, how has this affected the delivery of instruction, services, and programs?

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