

Strategic Issues:

- Appropriations for higher education in 1995 were the third consecutive increase for West Virginians. Much of the 1995–96 increase paid for student aid and raises for faculty and staff.
- In 1995 new laws were passes that required public institutions to produce five-year strategic plans. There were 3.25% increases tied to meeting institutional goals.
- The higher education appropriation for the 1996–97 academic year increased by 3.9%. The Legislature also appropriated \$1.4 million for the Higher Education Grant Program. The program also received an additional \$3 million in surplus lottery revenues.
- An incentive program tied to performance hit a snag in 1997 when it was discovered that it worked to the disadvantage of the state college system. The situation was rectified by transferring \$714,000 from the university system to the state-college system. The Legislature eventually gave both sides as much as had been requested.
- For the 1998–99 academic year, funds for the state's need-based financial aid program increased to \$11.6 million. Tuition increases ranged from 3% to 3.4%.

Summary

- *Critical Access Challenge:* While the high school graduation rates were higher than the national average during the 1990s, it fell modestly during the decade (from 77% in 1992 to 75% in 2000). The college enrollment rates for high school graduates increased during the decade and were four percentage points below the national average in 2000. The critical access challenge in West Virginia is to improve the financial opportunity for college enrollment.
- *System Issues:* Historically a low-tuition state, public tuition charges crept closer to the national average during the decade. In addition, need-based grants lagged behind the national average. The implementation of a need merit-based grant program coincided with a decline in college enrollment rates between 1998 and 2000, raising questions about whether the new program was targeted at the right challenge.
- *Opportunity:* Had West Virginia maintained need-based grants at the national equity standard, it is estimated an additional 3,000 students would have had the opportunity graduate high school and an addition 11,000 students would enrolled in college as freshmen.

Access Indicators*High School Graduation Rates* (Table 48.1)

Public high school graduation rates in West Virginia decreased slightly throughout the decade, from 77% in 1992 to 75% in 2000. There was a slight increase in the graduation rate in 1994, but it declined for the remainder of the decade. Despite this decade-long decrease, West Virginia consistently outperformed the national average. Even in its nadir in 2000, the state surpassed the national average by 8%.

College Enrollment Rates (Table 48.1)

The college enrollment rates increased throughout the decade from 49% in 1992 to 53% in 1998, but there was a slight decrease in the rate in 2000 to 52%. Yet there was still an overall positive trend of more students enrolling in postsecondary institutions. However, West

Virginia fell short when compared with other states in the nation throughout the decade. In 2000, the college enrollment rate of the state was four percentage points lower than the national average.

State Demographics (Table 48.2)

The poverty rates steadily decreased throughout the decade from 22% in 1992 to 14% in 2000. Despite the decrease, the state poverty rates remained higher than the national average throughout the decade although the deviation shrunk. In 2000, the state poverty rate surpassed the national average by only three percentage points. African-Americans are the largest minority group within the state, comprising 3% of the population while Hispanics and Other Minorities are both at three-fifths of a percentage point. In addition, the percentage of state residents with bachelor's degrees increased slightly throughout the decade from 12% in 1992 to 15% in 2000. Despite this increase, educational attainment routinely fell short of the national average. As of 2000, the state percentage fell nearly ten percentage points lower than the national average.

Financial Indicators

System Composition (Table 48.3)

A large majority of West Virginians attend public four-year institutions to secure their postsecondary education while 16% chose private institutions. The public two-year institutions are the least developed in the state with the remaining 8% of enrollment in 2000.

Financial Capacity (Table 48.4)

The state tax rate remained relatively stable and high at 9% throughout the decade. West Virginians paid higher taxes than the national average. The state tax rate was nearly two percentage points higher than the national average. The expenditures per student on K-12 education increased throughout the decade from \$3,487 in 1992 to \$4,414 in 2000. Due largely to these increases, West Virginia moved from being \$1,041 below the national average to exceeding it for the first time by \$221 in 2000.

Educational Revenue (Table 48.5)

Despite some fluctuation throughout the decade, state and local appropriations to the public system generally increased throughout the decade from \$5,555 in 1992 to \$7,037. When compared to other states, West Virginian state and local governments provided less fiscal support to the public institutions than average although there is evidence that the gap is closing. In 1992, West Virginia fell \$804 short when compared to the national average, but in 2000, it was \$458 lower than the average. Total education revenue, including tuition, was also below the national average.

Tuition and Fees (Table 48.6)

Consistent with the trend in most states, tuition and fees within West Virginia increased throughout the decade. In 1992, state students paid \$2,082 to enroll in state institutions, and this amount increased to \$2,476 by 2000. When compared to other states, West Virginia's tuition and fees were lower than the national average throughout the 1990s. As of 2000, tuition and fees in the state were \$252 lower than the national average.

Need-based Grants (Table 48.6)

The average need-based grant increased in the 1990s, from a \$137 grant in 1992 to a \$274 grant in 2000. Even with the increases throughout the 1990s, state grant aid still remains lower than the national average although the deviation decreased. In 1994, the shortfall between the

state and national average reached its zenith at \$252, but by 2000, this deviation shrunk to \$92.

Non-need Based Grants (Table 48.6)

The non-need based grant in West Virginia followed an unusual pattern throughout the decade. In 1994, the average student received a \$142 grant. However for all other years, the average grant amount was zero.

Projections

Coordinated System of Grants (Table 48.7)

Had West Virginia increased its need-based grant aid, given tuition charges, 300 more students would have graduated from high school, a percentage point increase. Of the state high school graduates, 1,000 more students would have attended postsecondary institutions within the state, a four percentage point increase.

Federal Grant Program Prospectus (Table 48.7)

In addition, had the federal government provided incentives for West Virginia to provide adequate grant aid, equaling one-quarter of the tuition on top of current state aid, 500 more high school students would have graduated, a percentage point increase. In addition, 1,600 more of these high school graduates would have enrolled in postsecondary institutions, a seven percentage point increase from the current college continuation rate.