## The Truth On Higher Ed Spending

By fitsnews • on October 19, 2008



Leave it to intellectually incurious S.C. Rep. Chip Limehouse to kick off the whine fest regarding proposed budget "cuts" to South Carolina colleges and universities in the wake of plummeting state revenues.

And leave it to the state's agenda-driven mainstream media to go along for the ride.

In saying that higher ed in South Carolina "got stabbed" in the proposed budget reductions that members of the General Assembly will vote on in <u>emergency session</u> this week, Limehouse is perpetuating a myth - one that continues to cost this state's parents and taxpayers millions of dollars that could be used for more pressing needs. Or better yet, refunded to the people who send all that new money to Columbia.

According to the latest data available from the <u>National Association of State Budget Officers</u> (<u>NASBO</u>), South Carolina currently spends 17.8% of its budget on a bloated, wasteful, duplicative and inefficient system of higher education.

The average state spends only 10.1% of its budget on higher ed - but then again the average state doesn't try to support one publicly-funded university for every 120,000 citizens, or one campus location per every 50,000 citizens.

Yet despite the fact that we spread our higher education dollars across such a ridiculously excessive number of state-supported schools, it's not like our top three research universities have been hurting as a result of this overextension.

In fact, budgets at the University of South Carolina, Clemson and MUSC have soared in recent years, including this year.

Let's take a look at the raw numbers from each school's total budget over the past five years ...

University of South Carolina (Columbia)

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FY 2004-05 - $614.1 million
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FY 2005-06 - \$686.6 million

FY 2006-07 - \$788.6 million

FY 2007-08 - \$859.8 million

FY 2008-09 - \$889.6 million

## Clemson University

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FY 2004-05 - $471.6 million
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FY 2005-06 - \$501.5 million

FY 2006-07 - \$532.8 million

FY 2007-08 - \$562.7 million

FY 2008-09 - \$583.3 million

## Clemson University (Public Service Activities)

FY 2004-05 - \$54.6 million

FY 2005-06 - \$59.5 million

FY 2006-07 - \$67.1 million

FY 2007-08 - \$74.1 million

FY 2008-09 - \$76.5 million

## Medical University of South Carolina

FY 2004-05 - \$461.5 million

FY 2005-06 - \$525.1 million

FY 2006-07 - \$531.8 million

FY 2007-08 - \$542.6 million

FY 2008-09 - \$582.4 million

As you can see, each of these three schools has seen dramatic increases in their budgets, which has been mirrored by steady increases in state appropriations as well.

In 2004-05, South Carolina spent \$840 million in state dollars on higher ed, a figure that soared to \$917 million the next year, \$1.03 billion the following year and \$1.1 billion last year.

In fact, South Carolina even managed to increase its state appropriations this year to its three main research campuses in spite of dwindling revenue collections.

So ... when you read in the <u>mainstream media</u> about draconian higher ed cuts of 14.9% percent, let's put those numbers in context.

Even after \$26.9 million in state "cuts," USC's budget is still bigger than it was last year. Same with Clemson (which is being "cut" by \$16.5 million) and MUSC (which is being "cut" by \$14.2 million).

And Clemson, in particular, should be able to handle slower growth seeing as they've got a secret \$140 million reserve fund that they <u>hid from lawmakers</u> - all while they were busy tripling tuition on parents.

But the real question is not why South Carolina's utterly clueless lawmakers (and similarly clueless mainstream media) keep falling for the same old song and dance from our institutions of higher spending ... err, learning ... it's why nobody is proposing common sense reforms to the way we administer higher ed in this state.

Take Georgia, for example, which is currently facing a bigger budget shortfall than South Carolina could ever dream of.

Rather than "spread the pain," which is generally S.C. lawmakers' <u>favored approach</u>, Georgia has decided to deal with its budget cuts by merging several of its technical colleges together.

According to the *Atlanta Journal-Constitution*, the move will save about \$3.5 million in top administrators' salaries, fringe benefits and other expenses annually.

The Georgia proposal actually came from its <u>Board of Regents</u>, which shows what happens when you have a real central authority concerned about educating kids rather than our current approach of letting a bunch of Bubbas bring home college campuses in the name of "economic development."

Anyway, we're sure the higher ed whine fest will be in full swing when lawmakers reconvene tomorrow to take up the emergency "cuts," but don't be fooled into thinking any of our ivory towers are in danger of crumbling.

They're not.

Several of them (Aiken, Lancaster, Salkehatchie, Union, to name just a few) should be, but until we elect lawmakers who put quality ahead of quantity, don't expect to see South Carolina embrace the sort of sensible reforms being adopted by our neighboring states.

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