

# PUBLIC UNIVERSITIES REQUEST ADDITIONAL PANDEMIC RELIEF FUNDING

The Association of Public and Land-grant Universities (APLU) joins the higher education community in requesting \$97 billion for a Higher Education Emergency Relief Fund (HEERF) in the next COVID-19 supplemental appropriations bill. These funds would provide critical support to students, strengthen public universities' response to the pandemic, financially stabilize institutions, and protect jobs<sup>1</sup>. In total, public universities directly employ 3 million faculty and staff across every state and congressional district and support millions of additional jobs throughout the country.

While HEERF funding provided in the CARES Act (\$14 billion) and the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act (\$23 billion) was very helpful, the level of funding provided falls far short of the financial hit public universities have endured as a direct result of the pandemic due to a sudden loss of revenue and the emergency expenses incurred to prioritize safe and operational schools. APLU twice (May and November) surveyed member institutions to ascertain the level of institutional expenses and losses due to the pandemic. The results demonstrate that the level of federal emergency relief provided thus far to public universities is woefully inadequate to meet the unprecedented challenges facing institutions so critical to our economy and society.

The 199 public research universities that comprise APLU's membership collectively face a \$15.1 billion funding gap due to the pandemic, according to the association's survey results:<sup>2</sup> While APLU does not have data that can be projected across the 3500 public and nonprofits institutions that received HEERF funding in CRRSA, the data below demonstrate the financial stress of 199 public research universities and are a microcosm of the need across higher education.

## Calculating the Financial Hit to Public Research Universities

Revenue losses in the spring and summer<sup>3</sup>: **\$6.5 billion**

Revenue losses in the fall<sup>4</sup>: **\$11.2 billion**

Expenses for safety measures in the fall<sup>5</sup>: **\$3.1 billion**

Total: **\$20.8 billion** (does not include impacts of state budget cuts)

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CARES Act funding for institutional expenses and losses: **\$1.7 billion<sup>6</sup>**

CRRSA Act funding for institutional expenses and losses: **\$4 billion<sup>7</sup>**

Total: **\$5.7 billion**

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Conservative estimate of funding gap to APLU institutions: **\$15.1 billion**

(does not include impacts of state budget cuts)

## Additional Financial Strains Related to the Pandemic

It is important to note that this \$15.1 billion gap of funding to 199 public research universities does not factor in massive state cuts to public higher education as a result of state budget shortfalls. As examples, the Colorado legislature slashed support for public institutions by 58 percent<sup>8</sup>. Governor Polis used CARES Act funding for states to cushion the blow. The University of Nevada, Las Vegas, reports a 20 percent decline of its state support and the University of Missouri, Kansas City, 12 percent. Losses of state support are compounded by the long-term trends of state cuts to public higher education. Public universities had yet to recover from the cuts of the Great Recession<sup>9</sup>.

It is also important to note that we are already into the spring semester and APLU's survey requested data through the fall semester on institutional expenses and losses. The \$15.1 billion number will unfortunately continue to grow significantly.

Additionally, APLU's survey did not explicitly ask about financial losses associated with public universities' research activities or university medical hospitals. These are substantial and the impact on early career researchers and graduate students – the next generation of scientific leaders – has been particularly acute. APLU and partner associations have requested \$26 billion in supplemental funding to federal research agencies to address the impact to science<sup>10</sup>. This agency funding will directly support graduate students, post-doctoral researchers, and early career faculty in completing their studies and ensure career stability for America's future researchers.

## Conclusion

Higher education plays a critical and multifaceted role as major drivers of the U.S. economy. Public research universities graduate nearly half of all bachelor's degree holders in the U.S. Colleges and universities - public and private - support nearly 7 million jobs and generate more than \$960 billion in economic output for the US economy<sup>11</sup>.

While the roll out of COVID-19 vaccines is welcome news and public universities are active participants in advancing vaccinations efforts, higher education will continue weathering the impacts of the pandemic well into the summer and possibly into the fall as expenses for safety measures are still necessary and losses mount as campuses are not fully open. Enrollment numbers are in question, particularly among international students who comprise a significant share of entering students as well as revenue that supports public universities. Terrible budget dynamics for states will also extend into Fiscal Year 2022 and beyond<sup>12</sup>.

Many schools have had no choice but to resort to furloughs and/or layoffs. Employment at public colleges and universities has fallen nearly 14 percent<sup>13</sup>. Public universities will be critical to any rebound of the U.S. economy both as employers of nearly 3 million people and educators of the nation's future workforce. However, given the persistent challenges related to COVID-19, without adequate additional support from the federal government, public universities will be severely hampered in their ability to fully contribute to the return of the U.S. economy and fully advance our public mission.

APLU urges Congress to provide \$97 billion in the next Higher Education Emergency Relief Fund to address the emergency needs of colleges and universities and those we serve.

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- <sup>1</sup><https://www.aplu.org/members/councils/governmental-affairs/CGA-library/higher-ed-community-requests-97-b-for-covid-relief/file>
- <sup>2</sup><https://www.aplu.org/members/our-members/>
- <sup>3</sup>Revenue losses include tuition and fees, room and board, auxiliary services, and “other”
- <sup>4</sup> Revenue losses include tuition and fees, room and board, auxiliary services, and “other”
- <sup>5</sup> Expenses for safety measures include face masks, testing, contact tracing, social distancing, dedicated residence halls, and “other”
- <sup>6</sup> CARES act funding represents amount of funding available under Section 18004 (a)(1) and (2) of the Higher Education Emergency Relief Fund.
- <sup>7</sup> CCRSA funding represents estimated amount of funding available under Section 5104 (a)(1) and (2) of the Higher Education Emergency Relief Fund.
- <sup>8</sup> <https://www.coloradoindependent.com/2020/05/20/colorado-budget-cuts-higher-education/#:~:text=Federal%20money%20will%20ease%20the%20blow.,-By&text=Colorado's%20Joint%20Budget%20Committee%20slashed,state's%20%243.3%20billion%20revenue%20shortfall.>
- <sup>9</sup> <https://www.cbpp.org/research/state-budget-and-tax/state-higher-education-funding-cuts-have-pushed-costs-to-students>
- <sup>10</sup> <https://www.aplu.org/members/councils/governmental-affairs/CGA-library/association-letter-requesting-inclusion-of-the-rise-act-in-covid-19-relief-bill/file>
- <sup>11</sup> <https://www.aplu.org/members/councils/governmental-affairs/CGA-library/beacon-economics-impact-of-higher-education-on-national-economy/file>
- <sup>12</sup> <https://www.cbpp.org/blog/projected-state-shortfalls-grow-as-economic-forecasts-worsen>
- <sup>13</sup> <https://universitybusiness.com/job-losses-unemployment-hit-colleges-higher-ed-covid-recession/#:~:text=Public%20education%20workers%20have%20been.by%20The%20Pew%20Charitable%20Trusts>