

## GENERAL

- Data elements are presented in the order of their appearance in the online data collection.
- Calculated fields are included, where applicable, in each section. In addition, all calculated metrics used in the SHEF report are defined in the Preview of Report section of this document.
- Required fields are marked with an asterisk\*.

**Adjusted data:** SHEF data are at times adjusted by several different metrics. Constant dollar refers to an inflation adjustment intended to make financial metrics more comparable over time. State-level data are generally adjusted by two comparison metrics. Sector-level data are only adjusted by cost-of-living. To adjust SHEF data, simply divide dollars by each adjustment index or by the product of multiple adjustments.

For example, the adjusted figure for education appropriations is: *Education Appropriations / Net FTE / (HECA \* COLI \* EMI)*.

For more information about each adjustment, see the Data Adjustments section, below.

**Fiscal year (FY):** In most states, the fiscal year runs from July 1 to June 30. For example, fiscal year 2024 refers to the period from July 1, 2023, to June 30, 2024. The corresponding academic year began in the fall of 2023. A few states have different fiscal years:

- New York, April 1 to March 31
- Texas, September 1 to August 31
- Alabama and Michigan, October 1 to September 30

Nineteen states have a biennial budget, which means their appropriations are set every other year. The remaining 31 states set their budgets annually. SHEF tracks this information for every agency that provides data.

**Determining institutional sector:** SHEF follows the definitions of the [Carnegie Basic Classification](#), regardless of the degree program in which individual students are enrolled. In many states, the classification of colleges within the two sectors is less clear than it has been in the past as some community colleges have begun to offer and award bachelor's degrees. All data is reported by institution, regardless of the degree program in which individual students are enrolled.

For example, if a state has an Associate's College (a two-year institution) that also offers four-year degrees, data providers classify all appropriations, tuition revenue, and FTE enrollment for that institution under the two-year sector. Institutions only offering graduate degrees should be included in the four-year sector. Institutions classified as Baccalaureate/Associate's Colleges, Technical Colleges, and degree-granting institutions that are considered "less-than-two-year" and are not assigned a Carnegie Classification should be included in the two-year sector. If data are not available by sector, we request that you provide an estimate and note the estimated elements in the comments section. If you are unable to estimate sector-level data, we would request that you

include the data in the “uncategorizable” category. (Uncategorizable data is highly discouraged as it distorts data both in your state and at the national level.)

**Determining residency:** Residency should generally be determined according to state and/or institutional residency requirements for in-state tuition, regardless of citizenship. If state and institutional residency requirements differ, please contact SHEEO staff. Nonresident enrollment should be classified as out-of-state, regardless of the tuition rate the student pays. For example, out-of-state enrollment includes nonresident graduate students who receive a tuition waiver, and any nonresident students participating in state exchange programs or reciprocity agreements in which tuition is partially or fully discounted to the in-state tuition rate. Classify DACA and/or undocumented students based on state or institutional policy; if they receive in-state tuition rates, include them as in-state residents.

**Including federal stimulus funding:** Federal stimulus funding refers to federal funds allocated to states for higher education to stabilize state and local sources of funding for higher education and provide additional resources during the COVID-19 pandemic in fiscal years 2020-2025. Only report federal stimulus funds that the state allocated to institutions, which consists of GEERF, GEERF II, CRF, or State and Local Fiscal Recovery Funds. The sources and uses of federal stimulus funding should only be reported in Sections 1 and 2. Exclude all aid that was provided directly to institutions (such as HEERF). Federal stimulus funds should be reported in the year(s) in which they were expended. Do not include federal stimulus funds when reporting sources (Section 3) and uses (Section 4) of state support.

# SURVEY DEFINITIONS

## SECTION 1: SOURCES OF FEDERAL STIMULUS FUNDING

This section collects information on federal stimulus and/or relief funding allocated to higher education during the Great Recession and COVID-19 pandemic. Allocations should be reported within the specific legislation and fund(s) from which they were provided. Funds collected in this section should only include the portion of federal funds allocated to states (not institutions). Note that although ARRA funds are included in this section, such stimulus funding allocated during the Great Recession was collected in prior years of SHEF and does not need to be reported at this time.

### 2009 AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

**Education Stabilization Fund (ESF)\*:** Education Stabilization Fund revenue provided through the Federal American Reinvestment and Recovery Act (ARRA) during the Great Recession to stabilize state and local sources of revenue for higher education. No data should be entered prior to 2009 or after 2012.

**Government Services Fund (GSF)\*:** Government Services Fund revenue used for public higher education operations excluding modernization, renovation, or repair provided through the Federal American Reinvestment and Recovery Act (ARRA) during the Great Recession to stabilize state and local sources of revenue for higher education. No data should be entered prior to 2009 or after 2012.

### 2020 CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CARES) ACT

**Governor's Emergency Education Relief Fund (GEERF)\*:** Governor's Emergency Education Relief Fund (GEERF) revenue allocated to states and used for higher education from the 2020 Coronavirus Aid, Relief, and Economic Security (CARES) Act. This field is not required prior to 2020 or after 2024.

**Coronavirus Relief Fund (CRF)\*:** Coronavirus Relief Fund (CRF) revenue allocated to states and used for higher education from the 2020 Coronavirus Aid, Relief, and Economic Security (CARES) Act. No data should be entered prior to 2020 or after 2023.

### 2020 CORONAVIRUS RESPONSE AND RELIEF SUPPLEMENTAL APPROPRIATIONS (CRRSA) ACT

**Governor's Emergency Education Relief Fund (GEERF II)\*:** Governor's Emergency Education Relief Fund (GEERF) revenue allocated to states and used for higher education from the 2020 Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act. This field is not required prior to 2020 or after 2024.

### 2021 AMERICAN RESCUE PLAN (ARP)

**Coronavirus State and Local Fiscal Recovery Fund\*:** Coronavirus State and Local Fiscal Recovery Fund revenue allocated to states and used for higher education from the 2021 American Rescue Plan (ARP). This field is not required prior to 2021.

**Total federal stimulus funding (calculated):** Federal stimulus funding allocated to states for higher education to offset reductions in state appropriations and stabilize state and local sources of funding for higher education. Exclude any funds allocated directly by the federal government to institutions or students.

Calculation: *Total Federal Stimulus Funding = Education Stabilization Fund + Government Services Fund + Governor's Emergency Education Relief Fund I + Coronavirus Relief Fund + Governor's Emergency Education Relief Fund II + Coronavirus State and Local Fiscal Recovery Fund*

## SECTION 2: USES OF FEDERAL STIMULUS FUNDING

This section collects information on federal stimulus and/or relief funding allocated to higher education during the COVID-19 pandemic. The total sum of allocations reported in Section 1 should be split up by their use. Funds collected in this section should only include the portion of federal funds allocated to states (not institutions).

**Student financial aid\*:** The portion of federal stimulus funding allocated to states and used for student financial aid at public and private institutions. This field is not required prior to 2020.

**Two-year public operating\*:** The portion of federal stimulus funding allocated to states and used for operating at public Carnegie Associate's Colleges, Mixed Baccalaureate/Associate's Colleges, Special Focus Two-Year Institutions, Technical Colleges, and those that are considered "less-than-two-year" but are not in the Carnegie Classification, net of any agency funding or state financial aid. This field is not required prior to 2020.

**Four-year public operating\*:** The portion of federal stimulus funding allocated to states and used for operating at public four-year institutions (per Carnegie definitions), net of any agency funding, state financial aid, or RAM. This field is not required prior to 2020.

**Public capital projects\*:** The portion of federal stimulus funding allocated to state agencies and used for capital projects at public institutions. List the total amount of federal stimulus funds used for new construction, renovations and improvements, equipment, and other capital projects that meet your state's legal definition for capital projects. This field is not required prior to 2020.

**Independent (private) institution operating\*:** The portion of federal stimulus funding allocated to states and used for operating at private institutions. This field is not required prior to 2020.

**Other uses of federal stimulus funding:** Federal stimulus funding listed in Section 1 and not included in any of the above categories, including but not limited to funds used for state agencies, non-credit and continuing education, RAM, or other purposes. *Optional*

**Total uses of federal stimulus funding (calculated):** The sum of federal stimulus funding for financial aid, two-year public operating, four-year public operating, independent operating, and other uses. Should be equal to total federal stimulus funding in Section 1.

Calculation: *Total Uses of Federal Stimulus Funding = Student Financial Aid + Two-Year Public Operating + Four-Year Public Operating + Public Capital Projects + Independent (Private) Institution Operating + Other Uses of Federal Stimulus Funding*

### SECTION 3: SOURCES OF STATE SUPPORT

This section intends to collect information about how much money the state provides to support higher education (excluding capital and debt service). All state funding for higher education (even those sums that are appropriated to other state agencies) is reported in this section. Figures reported here should not include any federal stimulus or relief funds.

**Tax appropriations\***: Appropriations from state government taxes for public and private higher education institution and agency annual operating expenses, excluding capital outlay (for new construction or debt retirement) and revenue from auxiliary enterprises. Tax appropriations should include funds for student financial aid, including medical public financial aid.

**Non-tax support (include lottery)\***: Funding under state auspices for appropriated non-tax state support set aside by the state for higher education. These may include, but are not limited to, monies from lotteries (including lottery scholarships), tobacco settlements, casinos, or other gaming sources. Non-tax support should include funds for student financial aid, including medical public financial aid.

**Non-appropriated support\***: Funding under state auspices for non-appropriated state support. These may include, but are not limited to, monies from receipt of lease income, cattle-grazing rights fees, and oil/mineral extraction fees on land set aside by the state for higher education.

**Endowment income\***: Interest or earnings received from state-funded endowments set aside and pledged to public sector institutions.

**Previous, return, and multiyear appropriations\***:

- Previous appropriations are portions of multiyear appropriations from previous years.
- Return appropriations are appropriations returned to the state.
- Multiyear appropriations are portions of multiyear appropriations in the current year which are to be spread over other years.

**Other support\***: Other support is any other state fund(s) not included in the other state support categories.

**Total state support (calculated)**: Total state support for all higher education is calculated by adding the primary sources of state funding and subtracting from that sum appropriations expected to be returned to the state and appropriations in the current year intended for use in other years (in other words, any appropriated funds that are not usable in the fiscal year for which they are appropriated).

State support includes:

- Sums appropriated for state aid to local public community colleges and operation of state-supported community colleges, and for vocational-technical two-year colleges or institutions that are predominantly for high school graduates and adult students;
- Sums appropriated to statewide coordinating boards or governing boards, either for board expenses or for allocation by the board to other institutions or both;
- Sums appropriated for state scholarships or other state-level student financial aid programs;
- Sums destined for higher education but designated to some other state agency (as in the case of funds intended for faculty fringe benefits that are appropriated to the state treasurer);
- Appropriations directed to private institutions of higher education at all levels; and
- Sums for students enrolled in dual credit or dual enrollment.

State support does not include:

- Sums for capital outlays and debt service; and
- Sums derived from federal sources, student fees, and auxiliary enterprises.

Calculation: *Total State Support = Tax Appropriations + Non-Tax Support + Non-Appropriated Support + Endowment + Previous Appropriations + Other Support - Return Appropriations - Multiyear Appropriations*

## SECTION 4: BREAKDOWN OF STATE SUPPORT

This section collects details on the allocation of total state support across different areas. Figures reported here should not include any federal stimulus or relief funds. The sum of data elements in Section 4 should be equal to total state support calculated from Section 3. See above for SHEEO's sector determination guidelines.

**Agency funding\***: Allocation of operating funds to state-funded, state-level coordinating and governing bodies. Do not include any pass-through funding to campuses or other entities. Includes all benefit appropriations for agency staff and funding allocated to cover the costs of operating and managing all agency programs and initiatives. This field is not required prior to 2019.

**Two-year public operating\***: Total state support, net of any funds included in agency funding or state financial aid, allocated to public Carnegie Associate's Colleges, Mixed Baccalaureate/Associate's Colleges, Special Focus Two-Year Institutions, Technical Colleges, and those that are considered "less-than-two-year" but are not in the Carnegie Classification. This field is not required prior to 2019.

**Four-year public operating\***: Total state support, net of any funds included in agency funding, state financial aid, or RAM, allocated to public four-year institutions (per Carnegie definitions). This field is not required prior to 2019.

**Independent (private) operating\***: Funds to independent institutions for operating expenses.

**Non-credit\***: State funding for students in non-credit continuing or adult education courses and non-credit extension courses which are not part of a regular program leading to a degree or certificate.

## FINANCIAL AID

This subsection breaks down total state support for student financial aid by institution type. State financial aid refers to the allocation to state scholarships or other state financial aid for students attending all institution types (public and independent). Include all aid that is not expected to be repaid. This includes all conditional and non-conditional grant and scholarship programs, work-study, and state-funded tuition waivers. Exclude any allocation to state loan programs.

**Total state financial aid\***: Allocations to state scholarships or other state financial aid for students attending public and private institutions. Exclude any allocation to state loan programs but do include uncategorizable public aid. This variable was added to accommodate the Grapevine data collection for the current fiscal year. Total state financial aid should be equal to the sum of independent, out-of-state, public aid (calculated), and medical public aid.

**Independent aid\***: Allocations to state scholarships or other state financial aid for students attending in-state independent (private) institutions. Include all aid that is not expected to be repaid, such as conditional and non-conditional grant and scholarship programs, work-study, and state-funded tuition waivers. Exclude any allocation to state loan programs.

**Out-of-state aid\***: Allocations to state scholarships or other state financial aid for students attending public and independent (private) out-of-state institutions. Include all aid that is not expected to be repaid, such as conditional and non-conditional grant and scholarship programs, work-study, and state-funded tuition waivers. Exclude any allocation to state loan programs.

**Public aid (calculated)**: State-appropriated student aid for tuition and mandatory fees for public institutions, excluding medical aid but including uncategorizable public aid. Include all aid that is not expected to be repaid.

Calculation: *Public Aid = Two-Year Public Aid + Four-Year Public Aid + Uncategorizable Public Aid*

**Two-year public aid\***: Allocations to state scholarships or other state financial aid for students attending public Carnegie Associate's Colleges, Mixed Baccalaureate/Associate's Colleges, Special Focus Two-Year Institutions, Technical Colleges, and those that are considered "less-than-two-year" but are not in the Carnegie Classification. This field is not required prior to 2019.

**Four-year public aid\***: Allocations to state scholarships or other state financial aid for students attending four-year public institutions (per Carnegie definitions). This field is not required prior to 2019.

**Medical public aid\***: Allocations to state scholarships or other state financial aid for students attending the four major types of public medical schools (medicine, dentistry, veterinary medicine, and osteopathic medicine). Include medical public aid in total state support and total student financial aid but exclude from state public financial aid and sector-level state public financial aid. This field is not required prior to 2019.

**Uncategorizable public aid\***: State public financial aid that cannot be allocated by sector.

## **RESEARCH/AGRICULTURAL/MEDICAL (RAM)**

This subsection breaks down total state support for research, agriculture, medical, and hospital appropriations. For analytical purposes, it is assumed that RAM appropriations exclusively support four-year institutions.

**Total RAM\***: The portion of total state and local appropriations targeted by legislative budget line-item identification or institutional designation for the direct operations of research, agriculture, public health care services, and medical schools. This variable was added to accommodate the Grapevine data collection for the current fiscal year. Do not include discretionary use by faculty of unrestricted appropriations supplemented by other revenues for short-term research primarily performed as an adjunct component of instruction (departmental research of an unsponsored nature). When unknown, appropriations for sponsored research are estimated as equal to total research expenditures less state grants and contracts for research and federal and private revenues restricted for research. Do not include any tuition revenues used for research. Total RAM should be equal to the sum of all RAM variables.

**Research appropriations\***: Appropriated sums for research centers, laboratories, and institutes and appropriated sums separately budgeted by institutions for organized research. Generally, these are ongoing programs. Includes all health and science research.

**Agriculture extension appropriations\***: Appropriated sums for agricultural experiment stations and cooperative extension services.

**Hospital appropriations\*:** Appropriated sums for teaching or affiliated hospital operations and public service patient care. Includes all medical, dental, veterinary, optometry, pharmacy, mental health, nursing, and other health science institutes, clinics, laboratories, dispensaries, etc., primarily serving the public.

**Medical school appropriations\*:** Appropriated sums for the direct operation and administrative support of the four major types of medical schools (medicine, dentistry, veterinary medicine, and osteopathic medicine) and centers corresponding to medical enrollments.

**Uncategorizable state support\*:** Any state support that is not included in the categories above. This field is used to ensure that the total of all variables in the Section 4 breakdown of state support is equal to total state support calculated at the end of Section 3.

**Total state support (calculated):** The sum of agency funding, two- and four-year public operating, independent operating, non-credit, total state financial aid, medical public aid, RAM, and uncategorizable state support. This amount should be equal to total state support in Section 3.

Calculation: *Total State Support = Agency Funding + Two-Year Public Operating + Four-Year Public Operating + Independent (Private) Operating + Non-Credit + Independent Aid + Out-of-State Aid + Two-Year Public Aid + Four-Year Public Aid + Medical Public Aid + Uncategorizable Aid + Research Appropriations + Agriculture Extension Appropriations + Hospital Appropriations + Medical School Appropriations + Uncategorizable State Support*

## SECTION 5: ADDITIONAL SOURCES OF PUBLIC FUNDING

This section collects information on additional sources of public funding for higher education. Data elements in this section should NOT be included in the funds reported in Sections 3 and 4.

**Appropriations derived from federal sources:** State appropriated funds derived from federal sources, excluding federal stimulus funds. Appropriations derived from federal sources are not included in any calculated variables. *Optional*

**Tuition offsets:** Tuition charges collected by the institutions and remitted to the state as an offset to the state appropriations. *Optional*

**Independent capital appropriations:** Sums to independent (private) institutions for capital outlay (new construction and debt service/retirement). *Optional*

## PUBLIC CAPITAL APPROPRIATIONS

The information on capital appropriations collected in this section will be reported separately from state support for operations. State support allocated for higher education capital projects is excluded from the state support information provided in Section 3. Please use your state's legal definition for capital projects. Capital projects often include new construction, significant renovations and improvements of existing buildings, major maintenance, land purchases, acquisitions of existing structures, equipment, and information technology systems. Please exclude state funding for operations and routine maintenance that does not meet the definition of a capital project, and tuition revenue bonds and other sources of institutional revenue that do not originate from the state. States with biennial budgets for capital appropriations should split each appropriated amount evenly across both years.



This subsection intends to collect information on state-funded capital outlays. It is not intended to collect information on total capital project costs and excludes any funding from institutional sources such as tuition revenue bonds, alumni giving, and endowment spending. While institutional funding is often used to match state funding and an important consideration in state funding decisions, these funds are excluded from the SHEF collection.

**Total public capital appropriations\***: Total state support allocated for higher education capital projects at public institutions. Includes any origination fees associated with debt financing. Exclude any federal stimulus funds used for capital projects reported in Section 2. This field is not required prior to 2020.

## SOURCES OF PUBLIC CAPITAL APPROPRIATIONS

**Debt-financed capital appropriations**: The allocation of total state postsecondary capital appropriations paid for through debt financing instruments. Includes any origination fees associated with the debt financing. *Optional*

**Cash-financed capital appropriations**: The allocation of total state postsecondary capital appropriations paid for with state cash funds. *Optional*

**Total sources of public capital appropriations (calculated)**: The sum of debt-financed and cash-financed capital appropriations. Should be equal to total public capital appropriations reported above.

Calculation: *Total Sources of Public Capital Appropriations = Debt-Financed Capital Appropriations + Cash-Financed Capital Appropriations*

## USES OF PUBLIC CAPITAL APPROPRIATIONS

**Capital appropriations for new construction**: The allocation of total state postsecondary capital appropriations used for the construction of new buildings and structures. Please use your state's legal definition for new construction. *Optional*

**Capital appropriations for renovations and improvements**: The allocation of total state postsecondary capital appropriations used for significant renovations or improvements to existing facilities or structures. Please use your state's legal definition for improvements or renovations to existing facilities or structures. *Optional*

**Capital appropriations for equipment**: The allocation of total state postsecondary capital appropriations used for capital equipment purchases. Please use your state's legal definition for capital equipment acquisitions. *Optional*

**Other capital projects**: Any capital appropriations that cannot be attributed to capital appropriations for new construction, renovations and improvements, or equipment. *Optional*

**Total uses of public capital appropriations (calculated)**: The total uses of debt-financed and cash-financed capital appropriations. Should be equal to total public capital appropriations reported above.

Calculation: *Total Uses of Public Capital Appropriations = Capital Appropriations for New Construction + Capital Appropriations for Renovations and Improvements + Capital Appropriations for Equipment + Other Capital Projects*

## LOCAL SUPPORT

This subsection collects information on local appropriations for public institutions. Local support refers to the sum of all tax appropriations from any government entity below the state level to public institutions for operating expenses. Exclude any grants from local nonprofit organizations such as chambers of commerce, charitable foundations, and other entities.

Local appropriations reported here should reflect your best estimate, at the time of reporting, of actual and expected amounts provided to institutions during the fiscal year.

**Two-year local appropriations\***: Local appropriations from local government taxes to institutions for operating expenses at public Carnegie Associate’s Colleges, Mixed Baccalaureate/Associate’s Colleges, Special Focus Two-Year Institutions, Technical Colleges, and those that are considered “less-than-two-year” but are not in the Carnegie Classification. This field is not required prior to 2019.

**Four-year local appropriations\***: Local appropriations from local government taxes to institutions for operating expenses at public four-year institutions (per Carnegie definitions). This field is not required prior to 2019.

**Uncategorizable local appropriations\***: Local appropriations to public institutions that cannot be allocated to the two-year or four-year sectors. Funds to institutions that are considered “less-than-two-year” should be included in the two-year sector.

**Local support (calculated)**: The sum of all tax appropriations from any government entity below the state level to public institutions for operating expenses. Exclude any grants from local nonprofit organizations such as chambers of commerce, charitable foundations, and other entities.

Calculation: *Local Support = Two-Year Local Appropriations + Four-Year Local Appropriations + Uncategorizable Local Appropriations*

## SECTION 6: ADDITIONAL SOURCES OF STATE SUPPORT

This section collects information on specific uses of state support for higher education. **Data elements in this section should be included in the funds reported in Sections 3 and 4.**

**Dual enrollment appropriations**: Any state or local funding to postsecondary institutions that supports dual enrollment programs. Dual enrollment refers to students who enroll in college courses offered by an institution of higher education while enrolled in high school, as part of a state, local, or postsecondary system program. May include dual credit, concurrent enrollment, and joint enrollment programs. *Optional*

- Include all postsecondary courses, regardless of course delivery mode, course location, course instructor, and whether secondary credit is also offered.
- Exclude credit-by-exam models (AP, IB), articulated credit, and any other course or programs in which postsecondary credit is not awarded immediately following completion of the course.
- Exclude in-kind donations, state K-12 funding, and other outside sources of funding.

## PERFORMANCE-BASED FUNDING

**Two-year performance-based funding\***: System- or state-level performance- or outcomes-based funding at public Carnegie Associate’s Colleges, Mixed Baccalaureate/Associate’s Colleges, Special Focus Two-Year Institutions, Technical Colleges, and those that are considered “less-than-two-year” but are not in the Carnegie Classification.

Performance- or outcomes-based appropriations are any state tax dollars allocated on the basis of how well institutions accomplish goals or outcomes as defined by state or system programs. This field is not required prior to 2020.

**Four-year performance-based funding\***: System- or state-level performance- or outcomes-based funding at public Carnegie Baccalaureate, Master's, and Doctoral Colleges, and Special Focus Four-Year Institutions. Performance- or outcomes-based appropriations are any state tax dollars allocated on the basis of how well institutions accomplish goals or outcomes as defined by state or system programs. This field is not required prior to 2020.

**System or state-level PBF policy (indicator)**: A system-level performance- or outcomes-based funding (PBF) policy is one in which a system of institutions autonomously develops measures of performance, then evaluates and allocates any state tax dollars to institutions on the basis of how well institutions accomplish goals or outcomes as defined by the system. A state-level PBF policy is one in which the state is responsible for developing and evaluating institutions on performance- or outcomes-based measures and allocating any state tax dollars on the basis of how well institutions accomplish goals or outcomes as defined by the state. *Required only for agencies that report performance-based funding at the two- and/or four-year sector level.*

**Total performance-based funding (calculated)**: The sum of state tax dollars allocated to two- and four-year public institutions based on how well institutions accomplish goals or outcomes as defined by state or system programs.

Calculation: *Total Performance-Based Funding = Two-Year Performance-Based Funding + Four-Year Performance-Based Funding*

## SECTION 7: TUITION AND FEE REVENUE

This section collects information about tuition revenues from students attending public institutions in your state. One of the intents of this section is to calculate Net Tuition Revenue, which is used in the SHEF report as a measure of how much institutional revenue is provided by students. Net Tuition Revenue is gross tuition and fees less state-funded student aid, institutional discounts and waivers, and tuition revenue paid by medical students.

**Gross tuition and fee revenue\***: Gross tuition plus mandatory education and general fees from public institutions. Include revenue from all fees required of such a large portion of all students that a student who does not pay the fee is the exception. Examples of mandatory education and general fees include but are not limited to instructional fees, technology fees, and security fees. Please exclude any student activity fees, auxiliary fees, instructional fees assessed at the program or course level, and one-time fees such as those assessed for graduation and transcripts. Gross tuition and fee revenue includes state and institutional financial aid, net of medical public aid.

**Institutional discounts and waivers\***: Institutional student aid transferred to a student's account and tuition charges that are waived and not collected from a student. Exclude institutional dollars that would not otherwise be available (e.g., restricted funds from institutionally managed endowments or designated for tuition grants).

**Medical tuition and fee revenue\***: Tuition and mandatory education and general fees paid by public medical students. Medical public aid should be included in medical tuition and fee revenue entered here.

**Tuition and fees used for debt service\***: Tuition and fee revenue used for capital debt service/retirement of capital improvement. Exclude any revenue paid by students for auxiliary enterprise debt service. Tuition and fees used for debt service are not excluded from net tuition and fees.

**State public financial aid:** See “Public aid (calculated)” in Section 4.

**Net tuition and fee revenue (calculated):** Gross tuition and fee revenue less state-funded student aid, institutional tuition discounts and waivers, and tuition revenue paid by medical students. This is a measure of the resources available from tuition and fees to support instruction and related operations at public higher education institutions and includes revenue from in-state and out-of-state students as well as undergraduate and graduate students. Net tuition revenue generally reflects the share of instructional support received from students and their families, although it is not the same as and does not take into account many factors that need to be considered in analyzing the “net price” students pay for higher education.

Calculation: *Net Tuition and Fee Revenue = Gross Tuition and Fee Revenue - Discounts and Waivers - State Public Financial Aid - Medical Tuition and Fee Revenue*

## SECTION 8: TWO-YEAR TUITION AND FEE REVENUE

This section collects tuition and fee revenue breakouts for public two-year institutions. See page 1 for SHEEO’s sector determination guidelines. Note that the sum of net tuition revenue in Sections 8 and 9 should be equal to net tuition revenue in Section 7.

**Two-year gross tuition and fee revenue\*:** Gross tuition plus mandatory education and general fees from public two-year institutions. Include revenue from all fees required of such a large portion of all students that a student who does not pay the fee is the exception. Gross tuition and fee revenue includes state and institutional financial aid. This field is not required prior to 2019.

**Two-year institutional discounts and waivers\*:** Institutional student aid transferred to a student’s account and tuition charges that are waived and not collected from a student at public two-year institutions. Exclude institutional dollars that would not otherwise be available (e.g., restricted funds from institutionally managed endowments or designated for tuition grants). This field is not required prior to 2019.

**Two-year tuition and fees used for debt service\*:** Tuition and fee revenue used for capital debt service/retirement of capital improvements at public two-year institutions. Revenue paid by students for auxiliary enterprise debt service is excluded. Tuition and fees used for debt service are not excluded from net tuition and fees. This field is not required prior to 2019.

**Two-year state public financial aid:** See “Two-year public aid” in Section 4. This field is not required prior to 2019.

**Two-year net tuition and fee revenue (calculated):** Gross tuition plus mandatory education and general fee revenue net of institutional discounts and waivers, and state public aid at public two-year institutions.

Calculation: *Two-Year Net Tuition and Fee Revenue = Two-Year Gross Tuition and Fee Revenue - Two-Year Discounts and Waivers - Two-Year State Public Financial Aid*

## SECTION 9: FOUR-YEAR TUITION AND FEE REVENUE

This section collects tuition and fee revenue breakouts for public four-year institutions. See page 1 for SHEEO’s sector determination guidelines. Note that the sum of net tuition revenue in Sections 8 and 9 should be equal to net tuition revenue in Section 7.

**Four-year gross tuition and fee revenue\***: Gross tuition plus mandatory education and general fees from public institutions. Include revenue from all fees required of such a large portion of all students that a student who does not pay the fee is the exception. Examples of mandatory education and general fees include, but are not limited to, instructional fees, technology fees, and security fees. Include fee revenue for construction and maintenance of academic facilities, including revenue from fees used for debt service provided in this section. Exclude student activity fees, auxiliary fees, instructional fees assessed at the program or course level, and one-time fees such as those assessed for graduation and transcripts. This field is not required prior to 2019.

**Four-year institutional discounts and waivers\***: Institutional student aid transferred to a student's account and tuition charges that are waived and not collected from a student at public four-year institutions. Exclude institutional dollars that would not otherwise be available (e.g., restricted funds from institutionally managed endowments or designated for tuition grants). This field is not required prior to 2019.

**Four-year medical tuition and fee revenue**: See "Medical tuition and fee revenue" in Section 7.

**Four-year tuition and fees used for debt service\***: Tuition and fee revenue used for capital debt service/retirement of capital improvement at four-year institutions. Exclude revenue paid by students for auxiliary enterprise debt service. Tuition and fees used for debt service are not excluded from net tuition and fees. This field is not required prior to 2019.

**Four-year state public financial aid**: See "Four-year public aid" in Section 4. This field is not required prior to 2019.

**Four-year net tuition and fee revenue (calculated)**: Gross tuition plus mandatory education and general fee revenue net of institutional discounts and waivers, medical tuition, and state public aid at public four-year institutions.

Calculation: *Four-Year Net Tuition and Fee Revenue = Four-Year Gross Tuition and Fee Revenue - Four-Year Discounts and Waivers - Four-Year State Public Financial Aid - Medical Tuition and Fee Revenue*

## **FOUR-YEAR NET TUITION AND FEE REVENUE BY RESIDENCY**

This subsection collects information about the residency breakout of net tuition and fee revenue at public four-year institutions. See page 2 for SHEEO's residency determination guidelines.

**Four-year in-state tuition and fee revenue\***: The portion of net tuition revenue at four-year institutions from students who are residents of the state according to state or institutional residency requirements for in-state tuition. This field is not required prior to 2020.

**Four-year out-of-state tuition and fee revenue\***: The portion of net tuition revenue at four-year institutions from students who are not residents of the state according to state or institutional residency requirements for in-state tuition. Include out-of-state and international students. This field is not required prior to 2020.

**Four-year uncategorizable tuition and fee revenue\***: Any funds included in net tuition revenue at four-year institutions that cannot be attributed to in-state or out-of-state tuition and fee revenue.

**Total four-year net tuition and fee revenue (calculated):** The sum of net tuition revenue and net mandatory education and general fees at four-year public institutions. Should be equal to four-year net tuition and fee revenue.

Calculation: *Total Four-Year Net Tuition and Fee Revenue = Four-Year In-State Tuition and Fee Revenue + Four-Year Out-of-State Tuition and Fee Revenue + Four-Year Uncategorizable Tuition and Fee Revenue*

## SECTION 10: ANNUAL FTE ENROLLMENT

This section collects information on student enrollment at public institutions, including all dual-enrollment, undergraduate, graduate, resident, and non-resident students enrolled in coursework creditable for a degree or certificate.

**Gross full-time equivalent (FTE) enrollment:** FTE enrollment calculated from coursework creditable for a degree plus coursework in a vocational or technical program which results in a certificate or some other formal recognition.

The FTE calculation differs for the type and level of instruction:

- Contact hour courses: One annual FTE is the sum of total contact hours divided by 900.
- Undergraduate credit hour courses: One annual FTE is the sum of total credits divided by 30 (for semester-based calendar systems) or 45 (for quarter systems).
- Graduate and first-professional credit hour courses: One annual FTE is the sum of total credits divided by 24 (for semester systems) or 36 (for quarter systems).

**Medical FTE:** FTE enrollment in schools of medicine, dentistry, veterinary medicine, and osteopathic medicine.

**Net FTE (calculated):** A measure of enrollment equal to one student enrolled full time for one academic year, calculated from the aggregate number of enrolled credit hours (including summer session enrollments). Exclude non-credit or non-degree program and medical school enrollments, but include coursework in vocational or technical programs. The use of FTE enrollment reduces multiple types of enrollment to a single measure to compare changes in total enrollment across states and sectors and to provide a straightforward method for analyzing revenue on a per-student basis.

Calculation: *Net FTE enrollment = Gross FTE enrollment – Medical FTE enrollment*

## SECTION 11: TWO-YEAR FTE ENROLLMENT

This section collects full-time equivalent (FTE) enrollment breakouts for public two-year institutions. See page 1 for SHEEO's sector determination guidelines. Note that the sum of net FTE enrollment in Sections 11 and 12 should be equal to net FTE enrollment in Section 10.

**Two-year gross FTE\*:** Full-time equivalent enrollment calculated from coursework creditable for a degree plus coursework in a vocational or technical program which results in a certificate or some other formal recognition at Carnegie Associate's Colleges, Mixed Baccalaureate/Associate's Colleges, Special Focus Two-Year Institutions, Technical Colleges, and those that are considered "less-than-two-year" but are not in the Carnegie Classification.

**Gross FTE is the same as net FTE for two-year institutions.** This field is not required prior to 2019.

## SECTION 12: FOUR-YEAR FTE ENROLLMENT

This section collects full-time equivalent (FTE) enrollment breakouts for public four-year institutions. See page 1 for SHEEO's sector determination guidelines. Note that the sum of net FTE enrollment in Sections 11 and 12 should be equal to net FTE enrollment in Section 10.

**Four-year gross FTE\***: Full-time equivalent enrollment calculated from coursework creditable for a degree plus coursework in a vocational or technical program which results in a certificate or some other formal recognition at Carnegie Baccalaureate, Master's, and Doctoral Colleges, and Special Focus Four-Year Institutions. Please include all Medical FTE enrollment. This field is not required prior to 2019.

**Medical FTE**: See "Medical FTE enrollment" in Section 10. For analytical purposes, all medical FTE are assumed to be part of the four-year sector.

**Four-year net FTE (calculated)**: Gross FTE minus medical FTE at four-year public institutions.

Calculation: *Four-Year Net FTE = Four-Year Gross FTE - Medical FTE*

### FOUR-YEAR NET FTE BY RESIDENCY

This subsection collects information about the residency breakout of net FTE enrollment (which excludes medical students) at public four-year institutions. See page 2 for SHEEO's residency determination guidelines.

**Four-year in-state net FTE\***: The portion of total FTE enrollment at public four-year institutions that are residents of the state according to state or institutional residency requirements. Exclude medical FTE and include dual enrollment. This field is not required prior to 2020.

**Four-year out-of-state net FTE\***: The portion of total FTE enrollment at public four-year institutions that are not residents of the state according to state or institutional residency requirements. Exclude medical FTE and include dual enrollment. Include out-of-state and international students. This field is not required prior to 2020.

**Uncategorizable net FTE\***: Any FTE enrollment at four-year institutions that cannot be attributed to in-state or out-of-state FTE.

**Total four-year net FTE (calculated)**: The sum of in-state, out-of-state, and uncategorizable four-year net FTE at public institutions. This amount should be the same as "four-year net FTE."

Calculation: *Total Four-Year Net FTE = Four-Year In-State Net FTE + Four-Year Out-Of-State Net FTE + Four-Year Uncategorizable Net FTE*

## SECTION 13: DUAL FTE ENROLLMENT BY SECTOR

This section collects information on dual- or concurrently enrolled students at public institutions. Please use the checkbox on the survey form to indicate whether your dual FTE enrollment data exclusively include students enrolled in a specific system or state program, or include all dual enrollment students in the state.

**Two-year dual FTE enrollment**: Dual FTE enrollment at public Carnegie Associate's Colleges, Mixed Baccalaureate/Associate's Colleges, Special Focus Two-Year Institutions, Technical Colleges, and those that are considered "less-than-two-year" but are not in the Carnegie Classification. *Optional*

**Four-year dual FTE enrollment:** Dual FTE enrollment at public Carnegie Baccalaureate, Master's, and Doctoral Colleges. *Optional*

**Uncategorizable dual FTE enrollment:** Dual FTE enrollment that cannot be attributed to two- or four-year institutions. *Optional*

**Total dual FTE enrollment (calculated):** Dual FTE enrollment, reported separately for two- and four-year public institutions, refers to annual full-time equivalent enrollment calculated for students who enroll in college courses offered by an institution of higher education while enrolled in high school as part of a state, local, or postsecondary system program. May include dual credit, concurrent enrollment, and joint enrollment programs.

- Include all postsecondary courses, regardless of course delivery mode, course location, course instructor, and whether secondary credit is also offered.
- Exclude credit-by-exam models (AP, IB), articulated credit, and any other courses or programs in which postsecondary credit is not awarded immediately following completion of the course.

Calculation: *Total Dual FTE Enrollment = Two-Year Dual FTE Enrollment + Four-Year Dual FTE Enrollment + Uncategorizable Dual FTE Enrollment*

## PREVIEW OF REPORT DEFINITIONS

### STATE LEVEL

**General public operations (calculated):** Total state support allocated to public institutions and agencies, excluding RAM, financial aid, and non-credit and continuing education.

Calculation: *General Public Operations = Total State Support + Local Appropriations - Independent Aid - Out-of-State Aid - Two-Year State Public Financial Aid - Four-Year State Public Financial Aid - Medical Public Aid - Uncategorizable Public Aid - Research Appropriations - Agriculture and Extension Appropriations - Hospital Appropriations - Medical School Appropriations - Independent (Private) Operating - Non-Credit*

**State public financial aid (calculated):** State-appropriated student aid for tuition and mandatory fees for public institutions, excluding medical aid but including uncategorizable public aid. Include all aid that is not expected to be repaid.

Calculation: *State Public Financial Aid = Two-Year State Public Financial Aid + Four-Year State Public Financial Aid + Uncategorizable Public Aid*

**RAM (calculated):** Total appropriations intended for the direct operations of research, agriculture, public health care services, and medical schools.

Calculation: *RAM = Research Appropriations + Agricultural Extension Appropriations + Hospital Appropriations + Medical School Appropriations*



**State support for public institutions (calculated):** The sum of general operating and financial aid at public institutions, plus medical aid and RAM. Include public federal stimulus funding.

Calculation: *State Support for Public Institutions = Agency Funding + Two-Year State Public Operating + Four-Year State Public Operating + Two-Year Public Aid + Four-Year Public Aid + Uncategorizable Public Aid + Medical Public Aid + Research Appropriations + Agriculture and Extension Appropriations + Hospital Appropriations + Medical School Appropriations + Uncategorizable State Support + Public Federal Stimulus*

**Independent support (calculated):** The sum of state allocations for independent (private) institution operating expenses and financial aid awarded to students attending independent institutions.

Calculation: *Independent Support = Independent (Private) Operating + Independent Aid*

**Local appropriations (calculated):** The sum of all tax appropriations from any government entity below the state level to public institutions for operating expenses. Exclude any grants from local nonprofit organizations such as chambers of commerce, charitable foundations, and other entities.

Calculation: *Local Appropriations = Two-Year Local Appropriations + Four-Year Local Appropriations + Uncategorizable Local Appropriations*

**Education appropriations (calculated):** State and local support available for public higher education operating expenses excluding research, hospitals, and medical education. Include public federal stimulus funding.

Calculation: *Education Appropriations = Agency Funding + Two-Year Public Operating + Four-Year Public Operating + Two-Year Public Aid + Four-Year Public Aid + Uncategorizable Public Aid + Uncategorizable State Support + Local Appropriations + Public Federal Stimulus*

**Federal stimulus (calculated):** Federal stimulus funding allocated to states for higher education to offset reductions in state appropriations and stabilize state and local sources of funding for higher education. Exclude any funds allocated directly by the federal government to institutions or students.

Calculation: *Federal Stimulus = Education Stabilization Fund + Government Services Fund + Governor's Emergency Education Relief Fund I + Coronavirus Relief Fund + Governor's Emergency Education Relief Fund II + Coronavirus State and Local Fiscal Recovery Fund*

**Public federal stimulus (calculated):** Federal stimulus funding allocated to states for higher education to offset reductions in state appropriations and stabilize state and local sources of funding for higher education. Exclude any funds allocated directly by the federal government to institutions or students. Also exclude federal stimulus funding allocated to independent (private) operating stimulus and federal stimulus used for capital projects at public institutions.

Calculation: *Public Federal Stimulus = Federal Stimulus - Independent (Private) Operating Stimulus - Public Capital Projects Stimulus*

**Education appropriations net of federal stimulus (calculated):** State and local support available for public higher education operating expenses excluding research, hospitals, and medical education net of federal stimulus funding.

Calculation: *Education Appropriations Net of Federal Stimulus = Education Appropriations - Public Federal Stimulus*

## SECTOR LEVEL

### TWO-YEAR

**Two-year public operating:** Total state support, net of any funds included in agency funding or state financial aid, allocated to public two-year institutions (per Carnegie definitions).

**Two-year state public financial aid:** Allocations to state scholarship or other state financial aid for students attending public two-year institutions (per Carnegie definitions).

**Two-year state support for public institutions (calculated):** The sum of general operating and financial aid at public two-year institutions (per Carnegie definitions). Includes the portion of federal stimulus funding allocated to public two-year operating.

Calculation: *Two-Year State Support for Public Institutions = Two-Year Public Operating + Two-Year State Public Financial Aid + Two-Year Public Operating Stimulus*

**Two-year local appropriations:** Local appropriations from local government taxes to institutions for operating expenses at public two-year institutions (per Carnegie definitions).

**Two-year education appropriations (calculated):** State and local support available for operating expenses at public two-year institutions. Includes the portion of federal stimulus funding allocated to public two-year operating.

Calculation: *Two-Year Education Appropriations = Two-Year Public Operating + Two-Year State Public Financial Aid + Two-Year Local Appropriations + Two-Year Public Operating Stimulus*

### FOUR-YEAR

**Four-year state public operating:** Total state support, net of any funds included in agency funding, state financial aid, or RAM, allocated to public four-year institutions (per Carnegie definitions).

**Four-year state public financial aid:** Allocations to state scholarship or other state financial aid for students attending four-year public institutions (per Carnegie definitions).

**RAM (calculated):** Total appropriations intended for the direct operations of research, agriculture, public health care services, and medical schools.

Calculation: *RAM = Research Appropriations + Agricultural Extension Appropriations + Hospital Appropriations + Medical School Appropriations*

**Four-year state support for public institutions (calculated):** The sum of general operating, financial aid (including medical public aid), and RAM at public four-year institutions. Includes the portion of federal stimulus funding allocated to public four-year operating.

Calculation: *Four-Year State Support for Public Institutions = Four-Year Public Operating + Four-Year State Public Financial Aid + Medical Public Aid + Research Appropriations + Agriculture and Extension Appropriations + Hospital Appropriations + Medical School Appropriations + Four-Year Public Operating Stimulus*

**Four-year local appropriations:** Local appropriations from local government taxes to institutions for operating expenses at public four-year institutions (per Carnegie definitions).

**Four-year education appropriations (calculated):** State and local support available for operating expenses at public four-year institutions excluding research, hospitals, and medical education. Includes the portion of federal stimulus funding allocated to public four-year operating.

Calculation: *Four-Year Education Appropriations = Four-Year Public Operating + Four-Year State Public Financial Aid + Four-Year Local Appropriations + Four-Year Public Operating Stimulus*

## ADDITIONAL SHEF METRICS

### NET TUITION REVENUE TOTALS

**Two-year net tuition and fee revenue (calculated):** Gross tuition plus mandatory education and general fee revenue net of institutional discounts and waivers, and state public aid at public two-year institutions.

Calculation: *Two-Year Net Tuition and Fee Revenue = Two-Year Gross Tuition and Fee Revenue - Two-Year Discounts and Waivers - Two-Year State Public Financial Aid*

**Four-year net tuition and fee revenue (calculated):** Gross tuition plus mandatory education and general fee revenue net of institutional discounts and waivers, medical tuition, and state public aid at public four-year institutions.

Calculation: *Four-Year Net Tuition and Fee Revenue = Four-Year Gross Tuition and Fee Revenue - Four-Year Discounts and Waivers - Medical Tuition - Four-Year State Public Financial Aid*

**Net tuition and fee revenue (calculated):** Gross tuition plus mandatory education and general fee revenue net of institutional discounts and waivers, medical tuition, and state public aid at public two-year and four-year institutions.

Calculation: *Gross Tuition and Fee Revenue - Institutional Discounts and Waivers - State Public Financial Aid - Medical Tuition and Fee Revenue*

**Two-year total education revenue (calculated):** Education appropriations and net tuition and fee revenue, excluding net tuition revenue used for capital debt service, at public two-year institutions.

Calculation: *Two-Year Total Education Revenue = Two-Year Education Appropriations + Two-Year Net Tuition and Fee Revenue - Two-Year Tuition Used for Debt Service*

**Four-year total education revenue (calculated):** Education appropriations and net tuition and fee revenue, excluding net tuition revenue used for capital debt service, at public four-year institutions.

Calculation: *Four-Year Total Education Revenue = Four-Year Education Appropriations + Four-Year Net Tuition and Fee Revenue - Four-Year Tuition Used for Debt Service*

**Total education revenue (calculated):** Education appropriations and net tuition and fee revenue, excluding net tuition revenue used for capital debt service, at public institutions.

Calculation: *Total Education Revenue = Education Appropriations + Net Tuition and Fee Revenue - Tuition Used for Debt Service*

**Two-year student share (calculated):** The student share is a measure of the proportion of total education revenue at public four-year institutions that comes from students and their families (measured as net tuition revenue). Net tuition revenue used for capital debt service is included in net tuition revenue but excluded from total education revenue in calculating this figure. Total education revenue includes federal stimulus allocated to two-year public operating.

Calculation: *Two-Year Student Share = Two-Year Net Tuition and Fee Revenue / Two-Year Total Education Revenue*

**Four-year student share (calculated):** The student share is a measure of the proportion of total education revenue at public four-year institutions that comes from students and their families (measured as net tuition revenue). Net tuition revenue used for capital debt service is included in net tuition revenue but excluded from total education revenue in calculating this figure. Total education revenue includes federal stimulus allocated to four-year public operating.

Calculation: *Four-Year Student Share = Four-Year Net Tuition and Fee Revenue / Four-Year Total Education Revenue*

**Student share (calculated):** The student share is a measure of the proportion of total education revenue at public institutions that comes from students and their families (measured as net tuition revenue). Net tuition revenue used for capital debt service is included in net tuition revenue but excluded from total education revenue in calculating this figure. Total education revenue includes federal stimulus funding at the state level but not the sector level.

Calculation: *Student Share = Net Tuition and Fee Revenue / Total Education Revenue*

## FTE ENROLLMENT

**Two-year net FTE enrollment:** The sum of in-state, out-of-state, and uncategorizable two-year net FTE, including dual enrollment. See “Two-year gross FTE” or “Total two-year net FTE” in Section 11.

**Four-year net FTE enrollment (calculated):** Net full-time equivalent (FTE) enrollment at public four-year institutions, including dual enrollment but excluding medical students.

Calculation: *Four-Year Net FTE = Four-Year Gross FTE - Medical FTE*

**Net full-time equivalent (FTE) enrollment (calculated):** A measure of enrollment equal to one student enrolled full time for one academic year, calculated from the aggregate number of enrolled credit hours (including summer session enrollments). Excludes non-credit or non-degree program and medical school enrollments but includes coursework in vocational or technical programs. The use of FTE enrollment reduces multiple types of enrollment to a single measure to compare changes in total enrollment across states and sectors and to provide a straightforward method for analyzing revenue on a per-student basis.

Calculation:  $Net\ FTE = Gross\ FTE - Medical\ FTE$

## DATA ADJUSTMENTS

SHEF data are at times adjusted by several different metrics. Data adjustments are indexed to the SHEF year (for inflation) and the U.S. (for state adjustments). To apply a data adjustment, divide a financial metric by the data adjustment value. Adjusted state-level values in the Preview of Report have been divided by HECA and COLI, but not EMI.

**Higher Education Cost Adjustment (HECA):** SHEEO developed the Higher Education Cost Adjustment (HECA) to estimate inflation in the costs paid by colleges and universities. Prior-year data in SHEF are adjusted up by HECA to match the comparable amount in today's dollars. HECA is constructed from two federally developed and maintained price indices—the **Employment Cost Index (ECI)** and the **Gross Domestic Product Implicit Price Deflator (GDP IPD)**. The ECI reflects employer compensation costs, including wages, salaries, and benefits. The GDP IPD reflects general price inflation in the U.S. economy. The HECA has the following advantages:

1. It is constructed from measures of inflation in the broader U.S. economy;
2. It is simple, straightforward to calculate, and transparent; and
3. The underlying indices are developed and routinely updated by the Bureau of Labor Statistics and Economic Analysis.

Because the best available data suggest that faculty and staff salaries account for roughly 75% of college and university expenditures, the HECA is based on a market basket with two components — personnel costs (75% of the index) and non-personnel costs (25%). SHEEO constructed the HECA based on the growth of the ECI (for 75% of costs) and the growth of the GDP IPD (for 25% of costs).

**Cost of Living Index (COLI):** The cost of living varies greatly across the 50 states. While a cost of living adjustment does not solve the problem of differing intrastate costs of living, it offers a way to get a rough estimate of these differences by adjusting for interstate unit cost data. Financial metrics in the SHEF report are adjusted down in states with a high cost of living and up in states with a low cost of living. This allows for more accurate comparisons of a state's contribution to public higher education.

State-level comparisons in SHEF are adjusted by the state-level Cost of Living Index (COLI), calculated annually by the **Council for Community and Economic Research (C2ER)**. This index is based on county-level data collected by C2ER. A state index is calculated based on the weighted average of all the counties in each state. COLI is referenced in the Census Bureau's Statistical Abstract of the U.S. and has also been used by the U.S. Bureau of Labor Statistics and the President's Council of Economic Advisors, among others.

The C2ER data is updated yearly, includes Alaska and Hawaii, and has **publicly available methods**. Although COLI is calculated for Washington, D.C., it is not included in the U.S. average.

SHEEO applies the latest COLI to all prior-year data. Regional comparisons include an adjusted version of COLI, weighted by the proportion of FTE enrollment in each state.

**Enrollment Mix Index (EMI):** Enrollment mix differences pose a challenge for interstate financial comparisons. Each level of higher education, from the first years of undergraduate work through doctoral studies, is progressively more expensive. A state or institution with a large proportion of enrollment in graduate programs will generally have a higher cost per FTE than a state or institution with a larger proportion of enrollment in undergraduate and two-year degree programs.

SHEEO developed an adjustment for interstate enrollment mix differences based on the proportion of enrollment in each state compared to the national proportions of enrollment by Carnegie Classification. Financial metrics in the SHEF report are adjusted down in states with a more expensive enrollment mix and up in states with a less expensive enrollment mix. This allows for more accurate comparisons of a state's contribution to public higher education.

To calculate EMI, Integrated Postsecondary Education Data System (IPEDS) data are used to develop a national average cost per fall FTE for each of the Carnegie Classifications of institutions. The most recent calculation used financial information from fiscal year 2021 and fall 2020 FTE enrollment data.

The proportion of each state's FTE in each Carnegie Classification is multiplied by the national average cost per FTE for that classification. For each state, the products for each classification are summed, which yields the state's enrollment mix unit cost for the year. The ratio of enrollment mix unit cost to aggregated national unit cost constitutes each state's enrollment mix "index."

SHEEO updates the EMI in odd years of the SHEF report and applies the latest EMI to all prior-year data. Regional comparisons include an adjusted version of EMI, weighted by the proportion of FTE enrollment in each state. Although EMI is calculated for Washington, D.C., it is not included in the U.S. average.