THE IMPACT OF BUDGET REDUCTIONS ON HIGHER EDUCATION DURING A TIME OF WORLDWIDE ECONOMIC DOWNTURN

A Position Statement

The global recession has caused a significant financial challenge to institutions of higher education as many state legislatures and donors across the country make critical and often sudden reductions in financial support for colleges and universities. These cuts, some of which may have caused significant declines in endowments and in enrollments, have come despite public recognition that higher education is one of the critical strengths of the United States as it competes in a global economy. Reductions in public funding have had a detrimental effect on the ability of many of our institutions in carrying out their missions and meeting the challenges of providing well-educated graduates to our region and our nation.

In a number of states the cuts have come without warning, making it impossible for institutions to plan effectively. Sometimes a reduction in funding leads institutions to undertake comprehensive and intensive examinations of their programs and operations, and efficiencies result; however, oftentimes vital programs and services suffer. In many cases, the disparity between available resources and educational demands has become so significant that the institutional capacity to respond has been severely impaired and the academic integrity and quality of many programs have been and are being threatened.

SACSCOC is aware of these conditions and recognizes the distinction between the impact of broad-scale economic events over which institutions have little control and those institution-specific choices that are within the control of individual colleges and universities. When rapid declines in resources diminish any institution's ability to fulfill its mission, administrators, trustees, and legislators have a joint responsibility for providing, safeguarding, and managing the resources of institutions under their charge and should understand the necessity of either replacing these resources or redefining the institution's educational programs and services. The Commission reaffirms its belief that all parties share in the responsibility for ensuring that institutions of higher education have the ability to achieve their stated purposes; it expects each of its accredited institutions to manage its resources so that it can effectively maintain the quality of its programs and services while successfully addressing current and any redefined goals. Without this commitment, our institutions of higher learning and their programs are placed in jeopardy.

Endorsed: Executive Council, January 2009