



West Virginia Higher Education Policy Commission

Higher Education
News Clippings

Week of February 8, 2008

February 13, 2009

Brian Noland

College is a deal in W.Va.

There is no doubt these are trying times. Uncertainty about our nation's economic future is growing and there seems to be more bad news every day. One thing seems abundantly clear - it will take all of us working together to move our state and nation forward.

And we need an educated workforce to do it. The fastest-growing fields and the best-paying jobs will increasingly require a college degree.

One of West Virginia's best-kept secrets is the variety of financial aid opportunities for students seeking a college education in our state. Through a combination of merit- and need-based financial aid programs, a West Virginia college education is among the most affordable in the country. In fact, few states fund, at our high levels, both a merit- and a need-based financial aid program. If you have been thinking about going to college, or returning to school to finish your degree, there may be financial assistance available.

The need-based West Virginia Higher Education Grant Program offers awards of up to \$3,000 annually and served approximately 15,000 students last year.

Another significant source of financial aid available to West Virginians is the Promise Scholarship Program, which provides full tuition at public institutions and a comparable amount at independent institutions. Promise scholarships are awarded to rising college freshmen who meet the educational standards. West Virginia also offers financial assistance to those who choose to attend college part time - either because of obligations with family or work - through the Higher Education Adult Part-Time Student Grant Program.

In a time of economic turmoil and budget constraints, our state has been able to increase the amount of financial aid allocated to college students to more than \$85 million annually. From 2003-09, West Virginia has provided more \$400 million to support a wide range of financial aid programs serving more than 146,000 students. In addition to these state programs, there are more than a million scholarships nationally worth billions of dollars.

To qualify for state and federal financial aid for college, students and their parents must apply by completing both the Free Application for Federal Student Aid (FAFSA) at fafsa.ed.gov and the West Virginia Application for State Level Financial Aid Programs at wvapply.com. The deadline for these applications is March 1, 2009. For more information about financial aid or how to apply for college, visit wvhepc.org.

In West Virginia, a college degree is affordable, accessible and available to everyone. I challenge all West Virginians who want to earn a college degree to take advantage of the opportunities before them.

Dr. Noland is chancellor of the West Virginia Higher Education Policy Commission.

February 11, 2009

Higher education officials looking at block tuition

By Ry Rivard, Charleston Daily Mail

CHARLESTON — At West Virginia's public colleges and universities, tuition increases are like parties — they happen regularly and lots of students are left with a headache.

But help could be on the way.

Instead of charging students more each year, state higher education officials are exploring "block tuition" plans.

The plan would allow freshmen to lock in one tuition and fee rate for all four years of their undergraduate education. This means no student has to drop out because of unexpectedly high tuition increases.

"I think that's a much more innovative way to look at 'freezing tuition' - you look at it as a class, not across the board," said Brian Noland, the chancellor of the Higher Education Policy Commission.

Besides guaranteeing tuition rates for students, block tuition plans also encourage students to graduate within four years.

The fee structure makes it cheaper to graduate in four years because a student who takes a year off in the middle of college would have to pay for another year at a higher rate to graduate.

Noland said he has looked at Georgia's 3-year-old Guaranteed Tuition Plan.

There, students who enrolled at a university in fall 2008 have their tuition fixed for four years or 12 successive semesters through summer 2012. Likewise, Georgia students who attend a two-year community college have their tuition fixed for three years.

The West Virginia higher education commission also wants the colleges to seek efficiency and cost savings.

Still, without a sudden increase in government funding, state colleges will have to raise tuition for the fall, as they do almost every year.

In the past decade, in-state tuition at every public four-year college and university has gone up every year. Students this year are on average paying 105 percent more than what their predecessors did in 1998, according to an analysis of data from the higher education commission.

The average in-state tuition increase last year was 6.4 percent at four-year state colleges.

But even while tuition has gone up, lawmakers have decreased or held flat the state's allocations of general revenue to higher education over the past six years.

As a result, the state has the lowest overall operating revenues per student of any state in the south, according to data from 16 states collected by the Southern Regional Education Board.

Without as much money as their peers, West Virginia college administrators complain they have trouble attracting and retaining top faculty. They also rely increasingly on part-time professors and graduate students to teach classes.

Freezing tuition could eventually starve colleges of funds and force them to cut programs, raise tuition in the future to make up for lost time or close altogether.

"There is nothing strategic about tuition freezes," Noland said.

Instead, the chancellor said the state should position itself for "dark days" ahead, like a recession that could come to the state later and last longer than the national economic downturn.

Like college officials around the state, West Virginia University administrators say they also have to answer key questions before they decide where to set tuition rates:

- Will declines in the university's endowment force the college to dip into other funds to pay for scholarship and some staff salaries? Most foundations have lost more than a fifth of their value.
- What will the Legislature do? For the past six years it has decreased or barely increased what it gives state colleges per student, according to data from the Southern Regional Education Board.
- How will the economy respond to a federal stimulus package if there is one? An increase in money set aside for Pell Grants could keep college affordable for students even if tuitions increase. Other federal funds could also help offset any revenue shortfalls.
- What are parents and students able to pay? Nationally, the unemployment rate continues to increase and credit is harder to come by.

"You take all of those things and put them into play, and I don't think we're in a position at this point to put in place a tuition freeze," said Narvel Weese, WVU's vice president of finance.

Weese said WVU's philosophy is that "the university is about a quality education and not a cheap education."

At the same time, he said, "Clearly, we're concerned about access in terms of having tuition get to the point people will not be able to afford an education at West Virginia University."

Ed Magee, Shepherd University's vice president for finance, said the university wouldn't know where it stands until lawmakers decide on state appropriations for higher education.

"If we don't receive an increase or if it's a small increase, then we will look at our tuition and fees and communicate with the Legislature and the policy commission appropriate rates for increases," Magee said.

In the past, Shepherd has been able to raise tuition for out-of-state students while keeping in-state student fees the same, an option other universities may have.

No public college has yet to announce what it will do with tuition in the fall, largely because the Legislative session has yet to begin.

But state private colleges, which don't depend extensively on state money, are already making decisions.

The private University of Charleston plans to increase tuition by 3.9 percent.

Wheeling Jesuit University and West Virginia Wesleyan College, two other private colleges, have announced tuition freezes.

Charleston Daily Mail

DAILYMAIL.COM

February 8, 2009

Some educators question success of Promise plan

by Ry Rivard, Daily Mail staff

Depending on who is talking, a \$4,500 cap on the Promise Scholarship is another promise broken by politicians, exactly what the state has to do to control costs or simply not enough.

In that last camp is Ed Welch, the president of the University of Charleston.

"It is a runaway entitlement program that's got to somehow be held in check," he said.

Originally, Promise was sold as a way to keep the best and the brightest high school students in West Virginia for college and beyond.

Now, Welch says, the scholarship is a "welfare program for the upper classes."

West Virginia high school seniors can qualify for Promise scholarships if they have at least a "B" average and certain scores on the ACT test.

Since it was started in 2002, the program has provided full-tuition scholarships to state-run colleges and universities. The scholarships also can be applied toward the higher tuitions at private institutions in West Virginia, but the amount always has been capped. The figure for this school year is \$4,372.

Welch said the program has not affected enrollment at UC, but private colleges have had to come up with more aid for Promise recipients to compete with the full-tuition awards they can use at the public colleges.

Offering more merit-based aid reduces the amount of money the private schools can offer to lower-income students based on need, he said.

"It's just a fact of life that it's ratcheted up price competition for talented students," he said.

Studies show that the scholarship ends up paying the tuition costs for many students who likely could afford it and does little to increase the number of students who stay in West Virginia.

Some higher education officials now are saying the money could be better spent, perhaps by propping up operating costs and increasing college quality or helping low-income students.

Welch said the \$40 million a year spent on Promise scholarships could be used for need-based scholarships for students who cannot afford college or jobs programs to attract or keep college graduates in West Virginia.

Earlier this year, a committee charged with studying Promise recommended the scholarship be capped at \$4,500 a year, which is several hundred dollars less than the tuition at Marshall and West Virginia universities. Some say this means the Promise is broken.

For Jerry Beasley, the head of the study committee, the Promise is a positive program with a worthy goal but it needs fine-tuning. And the state needs to adjust its funding priorities.

Beasley, the former president of Concord University, said the Legislature has done a very good job providing students with financial aid. But it now needs to increase the money it gives directly to colleges and universities after six years of decreased or flat spending.

"So we've been relatively generous to students (with scholarships and financial aid) but paid much less attention to the quality of education that is being provided them," he said.

The spending patterns are beginning to show some effects, he said.

Officials say it's difficult for state colleges to attract and retain top professors because salaries are low compared to other public colleges in the region. Beasley also worries about scores on post-graduation licensure tests for social work, teaching and other professions, an indicator of what students did or did not learn in college.

Beasley compared university revenue sources to a three-legged stool.

One leg is tuition and fees, which have gone up in West Virginia, though not as much as in other states.

The second leg is student financial aid, which the state is among the best at providing.

In face, there are redundancies.

Top scholars can often receive merit scholarships from colleges, institutions or certain government grants. This means that the Promise is using taxpayer money when the student might have received grants from other sources or through more specialized state scholarships, like grants for teachers or scientists. And it can mean that when top students want to leave, the Promise, because it is targeting the same top students as other scholarships, is not going to be a deciding factor.

Needy students also can receive other governmental support. Plus, receiving full tuition at public institutions through Promise can disqualify their families from claiming a federal tax credit, Beasley said. The state of Washington eliminated its merit-based program, also called Promise, for similar reasons and is focusing on low-income students.

Beasley said it's not unusual to have to tweak state policy, "particularly a policy that is rushed through without careful consideration of either its impact or careful consideration of the existing programs that seek to accomplish some of the same policy ends."

The Promise study committee's goal, he said, was to fine-tune the program and recommend ways to continue monitoring its effectiveness.

The third and final leg of the stool is state appropriations. West Virginia provides the least amount of state revenues per student of any state in the region, according to data from 16 southern states collected by the Southern Regional Education Board.

Beasley said the Promise program was introduced at the same time spending on institutions was "cut very severely in West Virginia."

This means that the second leg is now much longer than the third leg.

The proposed cap on Promise scholarships can help rebalance the stool so long as the Legislature puts more money toward the general budgets at state colleges.

"We have to be concerned about not only getting students to campus, we have to assure that they have the right kind of experience," Beasley said.



February 9, 2009

WVU Bucks for Brains

donations exceed \$900,000

By Associated Press

Donations to various research projects at WVU are creeping up on \$1 million.

Officials say they've had donations totaling \$918,453 under the state's Bucks for Brains program.

The Board of Governors on Friday approved plans to seek a matching amount from the state's Research Trust Fund.

The Bucks for Brains initiative was approved last year by the Legislature.

It set aside \$15 million to support research at Marshall University and \$35 million for WVU. Each school has five years to raise matching funds.

WVU's largest gifts were \$630,000 for the Osborne Professorship in Hematological Malignancy Research and \$168,000 for the James H. Walker Chair of Pediatric Cardiology.



February 12, 2009

HEATHER BRESCH TESTIMONY

Bresch: Degree was confirmed Says matter was reviewed and corrected

The Dominion Post

When Heather Bresch learned her WVU executive MBA (eMBA) degree could not be verified, she contacted the university to check on the error, according to testimony she gave to the WVU Special Investigative Panel in April 2008.

Craig Walker, then-university attorney, called her back to say the matter was under review. Later, she was told the degree was confirmed.

“In late October 2007, the university notified me that it had completed its investigation, validated the facts and confirmed that I had earned my degree,” Bresch told to the investigative panel.

“Please note that I had no role in that investigation, directly or indirectly, except for answering any questions.

“Following the university’s investigation, I was informed that my record would be corrected to show the true state of facts. That is the only natural, fair and correct conclusion one can objectively reach based on the facts.”

Bresch testified that she had received an invitation to her program graduation ceremony and that her name was listed in assorted material in connection with the graduating group.

Bresch gave her testimony during the university’s investigation into charges that her degree was awarded improperly. The investigation concluded that Bresch, the daughter of Gov. Joe Manchin and the chief operating officer of Mylan Inc., was retroactively awarded an eMBA degree she did not earn; the WVU Board of Governors (BOG) later revoked the degree.

From the start of the scandal — that resulted in the resignation of the university president and the reassignment of the provost and others — Bresch did not break her silence on the matter until her testimony. A Mylan spokesman released her testimony to The Dominion Post late last week, but neither she nor the spokesman returned phone calls or e-mails seeking comment for this report.

Last week, the university released the final report on an internal audit of recordkeeping practices, sparked by the Bresch matter, conducted by American Association of Collegiate Registrars and Admissions Officers (AACRAO). At the time of the release, the university indicated that the transcripts of more than 280 eMBA graduates contained discrepancies but that the degrees would not be rescinded.

Last Friday, Bresch presented the BOG with a letter asking why she was not being treated as other eMBA program graduates whose degrees will stand despite recordkeeping concerns.

“In light of recent developments and armed with the information we now have, it is improper, at best, not to look at the inconsistent treatment between me and the 288 students documented in the AACRAO report,” she wrote in her letter to the board.

“Please understand that I am not suggesting that the 288 degrees should not be recognized; rather, I am asking for a detailed explanation of what differentiates my situation from them.”

The university indicated that it would respond to her letter but that the response would be private.

Asked what he thought about his daughter’s letter, Gov. Manchin released the following statement on Tuesday: “As I’ve said throughout this ordeal, which has negatively affected so many lives, all I can hope for is that WVU will fix whatever went wrong and treat everyone fairly so that no one has to suffer through a situation like this ever again.”

February 10, 2009

WVU Faculty Senate wants to help with recordkeeping

By Davin White, Staff writer

CHARLESTON, W.Va. - Faculty senators at West Virginia University agreed Monday to create an advisory committee to help WVU's new registrar with new grade and recordkeeping practices.

Michael Perone, a faculty senator and vice chairman of the group Mountaineers for Integrity and Responsibility, introduced the motion at a meeting Monday afternoon.

"There is a wide variety of records management systems in place across the schools and colleges of the university," Perone said.

The new registrar, who has not been hired, will oversee all of WVU's academic records.

In a report on Feb. 2, consultants with the American Association of Collegiate Registrars and Admissions Officers raised questions about 288 previously awarded degrees.

The report grew out of the controversy over WVU's decision to award a master's degree to Mylan Inc. executive Heather Bresch, daughter of Gov. Joe Manchin.

Last week, Bresch sent a letter to the WVU Board of Governors asking why her degree had been revoked, while others with questions were allowed to stand.

The letter was referred to interim Provost E. Jane Martin. WVU spokeswoman Janey Cink said Martin would like to move as quickly as possible while giving Bresch's request due diligence.

In their Feb. 2 report, the consultants found that the errors appear to be the result of "not following industry best practices in student academic records management."

Bresch wrote that in light of the observations and recommendations set forth in that report, "it cannot be denied" that the key findings an investigative panel used to revoke her degree must be called into serious question.

In April, members of a special investigative panel determined that Bresch had not earned a degree, although top WVU administrators agreed to award it in October 2007.

WVU professor Roy Nutter, a member of the investigative panel and a computer science and electrical engineering professor, pointed out a section of the panel's report when questions first arose about business degrees.

The panelists discovered a handful of relatively minor administrative problems.

"Once again, the issues that arose in [Bresch's case] were not largely the fault of poor record-keeping or record-retention practices. ... The records were accurate. Ms. Bresch had not earned an MBA degree," the panelists wrote.

On Monday, Nutter referred to his previous comments and said again he stands behind the investigative panel's report.

In response to the AACRAO report, WVU Interim President Peter Magrath said the university recognizes its recordkeeping deficiencies, and will respond accordingly.

"What we had was probably the brass standard, and it got tarnished," Magrath said in a videotaped response to the report, which is posted on WVU's Web site. "They made it clear that there had been no wrongdoing or malfeasance in any sense with regard to the way the degrees are being awarded at West Virginia University."

Magrath also said that while Bresch's degree was not awarded until years after she left the university, the others were awarded in a timely way.

An attempt to reach Bresch through the Mylan Inc. public affairs office was not successful Monday afternoon.

Faculty senator Gwen Bergner, a WVU English professor, said she does not suspect similarities between Bresch's situation and those degrees that appear in the AACRAO report.

"I'm not sure that the cases are parallel as her letter seems to suggest," Bergner said. "But I'm sure that Dr. Martin will look into that and assess that."

"I can understand why Ms. Bresch would raise her case again," said Perone, chairman of WVU's psychology department.

The WVU Board of Governors correctly referred Bresch's letter to the provost's office, as it raises privacy matters protected by federal law, Perone said.

"That didn't happen the first time around," he said.



February 8, 2009

New Multicultural Program comes to Marshall

HUNTINGTON -- Marshall University is welcoming a new multicultural program.

The program is funded through the Division of Multicultural Affairs and the West Virginia Higher Education Policy Commission.

The Multicultural Leadership Ambassadors is comprised of students from various cultures, ethnicities, abilities, and socio-economic levels. The group also includes trained peer educators that serve as the voice of students.

The goal of the group is to create and share personal experiences and reflections to provide more of an understanding and awareness of diversity.



February 9, 2009

Audit of BSC questions deposits

By MANNIX PORTERFIELD of The Register-Herald

CHARLESTON — A lack of internal controls exposed Bluefield State College to questionable use of state money and a possible ethics violation by a baseball coach, a legislative audit revealed Monday.

Read in its entirety to the Post-Audits Subcommittee, the report said the Bluefield State Foundation, a private, non-state entity, couldn't provide the legislative auditor's office with documents to support four of 10 deposits totaling \$16,234.50.

Two of them were college funds that should have been put into its accounts, the report said.

Moreover, the auditor's office said, it was determined the baseball coach violated the governmental ethics law by "encouraging" each player to pay \$500 toward travel expenses for the annual spring break trip.

When asked about this, the report stated, the coach said some of the 40 players elected to put up their share as "gifts" rather than take part in fund-raising activities.

But the coach couldn't say how much came from donations and what was generated in fund-raising, the report said.

"Consequently, we were unable to determine if all monies raised and collected from the baseball players were deposited into the Big Blue Fund," it said.

That fund was used by the foundation to account for college athletic expenditures.

In the two-year audit, the office said, the foundation directly turned over \$31,771 to the baseball coach from the Big Blue Baseball Travel Fund, which he said was used to defray expenses in the spring break trips.

But neither the coach nor the foundation could produce documents to support travel expenses paid with those funds, the report showed.

In the audit period, the deposits totaled \$35,376.02. Legislative Auditor Aaron Allred pointed out the Bluefield State audit is the first in a series, with his staff now training its eyes on WVU-Tech, and from there, it will move to the campus of Concord University.

Nothing was in place to guarantee the athletic department travel money paid from college funds weren't paid also from the foundation.

Of 60 disbursements examined between July 1, 2005, and June 30, 2007, the report said, four payments totaling \$1,280 issued to a former softball coach might have been used for "other purposes, including personal gain."

And, what's more, 52 others totaling \$48,964.98 carried no receipts to prove they were used for authorized state expenditures. From that amount, the audit showed, \$41,011 was issued directly to either a coach or the athletic director.

Bluefield's chief financial officer, Sheila Johnson, said the school assured the panel that Bluefield State has "changed many procedures," especially with regard to the baseball program.

"Many of us didn't realize these things were going on," she said. "We will continue to improve."

Allred's staff said the school's management wasn't aware the athletic department was depositing money into the foundation accounts.

Consequently, such deposits weren't reflected in the school's annual financial statements, meaning they were in error.

Allred's office recommended BSC and the foundation function as separate entities, since some college money went to the latter in non-compliance with state law.

Senate Minority Leader Don Caruth, R-Mercer, whose 10th District embraces the school, pointed out that no state-run college has been audited in 23 to 24 years and that he expected similar questionable practices to arise when Allred's staff gets around to checking on the other schools.

"Obviously, we take these things seriously," Caruth said afterward.

"Colleges have taken off in their own direction and haven't been audited by the state for so long. They have their own way of doing things, and they're not the way of doing things the way they should be."

Yet, the situation at BSC certainly isn't unique, he emphasized.

"There was a lot of discussion about cooperation between the athletic department and the college about the payment of fees and admission costs," the Republican leader said.

"Bluefield State does not draw a great crowd in terms of athletic events," he said.

"So, in many cases, a lot of the discrepancies that were found were discrepancies, but they were very small amounts. So if you listen to the whole thing, it sounds like a lot of procedures were not correct. But in many cases, it didn't amount to much money."

A call to a Bluefield State College spokesman was not returned late Monday.

February 11, 2009

WVU Tech report says school is struggling Location, campus hurting enrollment in Montgomery

By Alison Knezevich, Staff writer

CHARLESTON, W.Va. - West Virginia University Institute of Technology is losing money and students as it struggles with an isolated location, high turnover and aging buildings, according to a state report released Tuesday.

A performance review by the Legislative Auditor's office detailed those and other problems at the Montgomery school, which became part of West Virginia University in 2007.

"Increased enrollment in all programs is essential at WVU Tech if it is to survive," Gail Higgins of the auditor's office told legislators an interim committee Tuesday.

Overall enrollment at Tech slipped 28 percent between 1991 and 2007, according to the report. Engineering enrollment fell by 49 percent.

Engineering students from Southern West Virginia are increasingly choosing WVU in Morgantown over WVU Tech based on academic programs and location, according to the report.

Tech has spent more than \$10 million to renovate facilities such as the Maclin Hall dorm, the student center, engineering auditorium and robotics lab, but some buildings remain unusable, the report says.

Among the other findings:

--Over the past 50 years, better roads have made it easier for West Virginians to get to Marshall University and WVU. Today, it takes two hours and 20 minutes less to get from Charleston to Morgantown than it did in 1960.

But travel between Montgomery and Charleston hasn't improved that much - and it would cost \$415 million to make U.S. 60 a four-lane highway from Chelyan to Montgomery.

--Tech posted a deficit of \$1.2 million in fiscal year 2007. School officials expect continuing deficits.

--Tech lost \$1.5 million in academic years 2007 and 2008 after it issued housing waivers to more than 60 percent of students living in dorms. At Marshall and WVU, less than 4 percent of students receive housing waivers.

The school initiated the waiver program to help attract students, and the aid was based on students' "athletic prowess," the report says. But some who received the waivers still left the school after one semester or one year.

Tech officials distributed more waivers than planned because of miscommunication and mismanagement, the report says. The discounts were so big that less than half of students living in dorms were paying full price for housing.

--Since January 2008, the provost, dean of student enrollment, director of alumni relations and student recruitment, and the athletic director have retired, resigned or been reassigned.

On Tuesday, Tech Provost Scott Hurst said officials are working hard to fill key positions.

They also know the school must increase enrollment to generate enough revenue, but don't believe they must double enrollment as state auditors concluded, Hurst told members of the Joint Standing Committee on Education.

Filling positions should be a top priority, State Higher Education Policy Commission chancellor Brian Noland said after the meeting.

Many of the areas Tech used to recruit from have lost population, he said. At the same time, high school graduates have more options for college.

"It's a more competitive environment, and Tech clearly has to [hire staff] who can go out on the road and sell Tech to high school students," Noland said.

Charleston Daily Mail

DAILYMAIL.COM

February 9, 2009

Panel seeks public input on WVa's video lottery

by The Associated Press

A committee looking into whether changes to the state's Limited Video Lottery Act are needed is holding a public hearing in Charleston.

The hearing is scheduled for 1 p.m. to 4 p.m. Monday at the Charleston Marriott. Other hearings are planned across the state this year.

Some officials say the number of limited video lottery machines in bars, clubs and fraternal organizations should be reduced.

The committee will determine if changes to the law are necessary before licenses authorizing up to 9,000 machines have to be renewed in 2011.

The panel will likely present its findings to Gov. Joe Manchin in 2010.

February 9, 2009

The Senate Sheds Education Aid

Hope you haven't spent that stimulus money yet.

A compromise amendment worked out by moderate Democrats and Republicans in the U.S. Senate late Friday slashed billions of dollars that would have flowed to colleges and universities in the Senate's original version, with the biggest cuts coming in education aid to states and funds to modernize college facilities.

To the relief of advocates for students, the compromise legislation sustained \$13.9 billion to increase the maximum Pell Grant for needy students, which budget cutters had eyed. College and student lobbyists had worked aggressively late last week as various drafts of the compromise amendment emerged showing Pell funds in and out of the plan, but when Sens. Ben Nelson (D-Neb.) and Susan Collins (R-Maine) revealed the final plan's contents late Friday evening, Pell was in.

The one area important to higher education that seemed to benefit from the changes was biomedical research. The Senate compromise would provide \$10 billion in new funds to the National Institutes of Health, almost \$8 billion of which would be for scientific studies.

Senate leaders worked closely with the White House to craft the new version of the stimulus bill, which cut more than \$100 billion out of a package that, when originally introduced in the Senate late last month, stood at close to \$900 billion, significantly more than the \$819 billion version passed by the House. With Democrats in the Senate lacking enough votes to ensure passage, and poll numbers suggesting that Republican attacks on the "spendulus" package filled with funds that wouldn't stimulate the economy were taking hold with the American public, the small group of moderates sought to cut it back.

Among the biggest changes for higher education is the outright elimination of a \$3.5 billion "higher education facilities modernization fund" designed to be divided among states to finance renovations of "shovel ready" campus buildings (the House bill contains \$6 billion for such a fund). College officials, anticipating the injection of funds, have been dusting off proposals for facilities that have gone wanting because their states couldn't finance them or they couldn't raise outside money for them.

The Senate version would also provide significantly less money to states that have been counting on the stimulus package to help them backfill budget gaps for education programs. The original Senate legislation, like the House version, would have created a \$39 billion "stabilization" fund designed to be distributed to states to keep their higher education and K-12 budgets at their 2008 levels, as well as \$25 billion in additional money for states to use to sustain crucial public services, including education.

Under the revised Senate version, the entire stabilization fund would be cut to \$39 billion, with about \$31.5 billion to be used by states to protect their K-12 and higher education budgets and the other \$7.5 billion to go to states as “incentive grants” to reward them for meeting key education performance measures, mostly focused on high school graduation rates.

This is likely to be a major issue in states such as Missouri, where Gov. Jay Nixon’s agreement with university leaders to keep higher education whole in the 2010 budget, in exchange for freezing tuition, depends on the federal stimulus funds to make it work.

While public university officials very much hope the eventual enacted legislation will hew closer to the House level, they are also concerned about how tying the federal funds to the state’s 2008 spending levels could limit the ability of some states to tap into the funds for higher education. States that cut back their spending significantly earlier in the decade, but did not impose major funding cuts in 2009, for instance, “would receive little or no federal support under this formula,” the National Association of State Universities and Land-Grant Colleges said in a letter to its member presidents this weekend.

Several other pots of research money were also eliminated or reduced in the Senate compromise.

The cuts in education-related programs were admittedly difficult for some of those directly involved in the negotiations. “It’s a painful area for all of us, as Democrats, to make these cuts in education assistance,” said Sen. Richard J. Durbin, the Illinois Democrat who is assistant majority leader in the Senate.

Whether they have gone too far in their trimming, especially in areas such as education, may depend in large part on the reaction of House Democrats, who passed their version of the legislation without any Republican support and reacted coolly to the revised Senate plan. The Senate is scheduled to vote on the stimulus bill tomorrow, and lawmakers from the House and Senate (almost certainly with the close involvement of the Obama administration) will then try to hammer out differences between the bills to come up with a version of the measure that can pass both houses and win the president’s signature.

On television news shows on Sunday, Lawrence Summers, the Obama administration’s point man on the stimulus package, specifically mentioned higher education as an area that is likely to be in dispute as the House and Senate craft a compromise, and hinted the administration might favor more than the Senate bill would provide. “There are crucial areas, support for higher education, that are things that are in the House bill that are very, very important to the president,” Summers said.

A chart comparing the House and Senate versions, as modified, is below. The chart is based on a summary of the Senate compromise released Sunday (and available on the Appropriations Committee’s Web site) that specifically notes that it does not contain all programs that would be funded by the bill; and on reports from higher education officials tracking the legislation. So what’s below is subject to change as more details become available:

The Stimulus and Higher Education

	House	Senate
Aid for Students		
Pell Grants	\$15.6 billion to increase maximum grant by \$500 and eliminate shortfall	\$13.9 billion to increase maximum grant and close shortfall
College Work Study	\$490 million	Not included
Perkins Loans	Not included	\$61 million for capital contributions
Loan Limits	Increase limit on unsubsidized loans by \$2,000	Not included
Higher Education Tax Credit	Temporarily replace Hope tax credit with \$2,500 credit available for four years of college. Credit phases out for individuals with income of \$80,000, \$160,000 for couples. Credit is 40 percent refundable. Cost: \$13.7 billion over 10 years	Temporarily replace Hope tax credit with \$2,500 credit available for four years of college. Credit phases out for individuals with income of \$80,000, \$160,000 for couples. Credit is 30 percent refundable. Cost: \$12.9 billion over 10 years
529 savings plans	Not included	Allow computers to count as qualified expenses under 529 savings plans
Education Aid for States	\$39 billion for school districts and public colleges, distributed through existing formulas	\$26.7 billion for school districts and public colleges, distributed through existing formulas (reduced from \$39 billion)
	\$25 billion to states for “high priority” needs, “which may include education”	\$9.5 billion to states for “high priority” needs, “which may include education” (reduced from \$25 billion)
Infrastructure		
College/School Facilities (through Education Department)	\$6 billion for “higher education modernization, renovation, repair”; \$1.5 billion for grants and loans to colleges, schools, and local governments for energy efficiency	None (eliminated \$3.5 billion to improve technology infrastructure of higher education facilities)
National Institute of Standards and Technology	\$300 million to construct research buildings at colleges	Not included
Agricultural Research Service	\$209 million for facilities	N/A
Computer centers (at public libraries and community colleges)	Not included	\$200 million
Energy Department	Not included	\$330 million for laboratory

		infrastructure
Scientific Research		
National Science Foundation	\$2 billion for research grants, \$900 million for equipment and facilities, and \$100 million for science education	\$1 billion for research grants (was \$1.2 billion), \$150 million for infrastructure, \$50 million for education
NASA	\$600 million for climate change and other research	\$450 million for science, specifically earth science missions (was \$500 million)
National Institutes of Health	\$1.5 billion for biomedical research, \$2 billion for facilities renovation and capacity building	\$7.85 billion for biomedical research (was originally \$1.35 billion); \$300 million for shared equipment
Energy Department	\$2 billion for energy efficiency research; \$2 billion for basic physical science research	\$100 million for advanced computer R&D
Homeland Security	Not included	\$14 million for cybersecurity research
National Institute of Standards and Technology	Not included	\$168 million for external grants (was \$218 million)
Agriculture Department Cooperative State Research, Education and Economic Service	Not included	None (was \$100 million for Agriculture and Food Research Institute)
Job Training	\$4 billion	\$3.25 billion, including \$1.95 billion for adult and dislocated workers (was \$3.5 billion)
Other		
AmeriCorps	Not included	\$200 million (was \$160 million)
Teacher quality partnership grants	\$100 million	\$50 million (was \$100 million)
Preparing health care workers	\$600 million for training primary care doctors, dentists and nurses	Not included
Student Aid Administration	\$50 million to help Education Department administer student aid in changing student loan environment	Not included
Help for Lenders	\$10 million for larger subsidies for lenders	Not included
Arts	\$50 million for National Endowment for the Arts	Not included
Rural distance learning and telemedicine (Agriculture Department)	Not included	\$100 million (was \$200 million)