

COVID-19, CARES, and Public Higher Education in 2020–2021 and Beyond: A View from 38 States

By Stephen G. Katsinas, Emily M. Jacobs, and Nathaniel J. Bray

This report is based on 38 responses¹ from the 2020 National Survey of Access and Finance Issues conducted by the Education Policy Center (EPC) at the University of Alabama. Since 2007, the EPC has conducted surveys of National Council of State Directors of Community Colleges (NCSDDCC) members and their designees. Response rates have been consistently high over the years. We survey NCSDDCC members because their knowledge of higher education access and finance issues extends well beyond their own sector. Community colleges are the largest providers of for-credit and non-credit postsecondary education to adults; for millions of academically talented, first-generation, minority, and low-income high school graduates, they serve as a portal to higher education and the American dream. This year's survey was conducted between July and October, and includes a bank of questions related to how COVID-19 and CARES funding impacted the fiscal year just concluded (2019–20) as well as predictions for 2020–21.

COVID-19 and CARES Funding in the Year Just Concluded (2019–2020)

Figure 1 on the following page displays responses to COVID-19 issues in the year just concluded. Thirty-six of the 38 respondents were in agreement with the statement “[in] the year just concluded, my state’s colleges had significant unplanned technology and faculty/staff development and training costs to offer remote instruction.”

The pandemic exposed significant differences in broadband access. The Education Policy Center’s October 2020 report detailing broadband access in Alabama’s 24 impoverished Black Belt counties found all but 2 were below the statewide average and half had below 50+ megabits per second broadband as of 2020. Three counties, including Perry, the home to Coretta Scott King and the wife of Andrew Young just north of Selma, had essentially no coverage at all.²

Nationally, 38 percent of rural Americans lack high-speed broadband access. Urban areas face the same challenges, as a *Los Angeles Times* editorial lamented: “the same old problems—lack of internet access or computers for doing homework...are exacerbated now that students are required to learn not in a classroom, but remotely.”³

When NCSDDC members were asked to respond to the survey item, “[the] move to remote learning resulting from the pandemic exposed differences in broadband access, especially in rural areas of my state,” 36 of 38 respondents were in agreement while the other 2 were neutral or didn’t know. None disagreed. That 28 of the 38 respondents indicated “strongly agree” speaks to the severity of the problem. When asked if “[federal] funding for broadband is major need in my state,” 32 were in agreement, 6 neutral/don’t know, and none were in disagreement; of those 32 in agreement, 24 indicated “strongly agree.” There appears to be a broad consensus that in a public health crisis, open-door, open-access community colleges need funding for the tools to provide that access.

These challenges explain in good measure why among the 28 respondents indicating a response, 25 were in agreement that uncertain state funding will make achieving increases in graduation rates difficult in 2020–21. Public access colleges and universities face uncertain funding from not only state operating budgets, but also declining enrollments that drive tuition income. It is likely this year they will find it harder to ensure students stay in college and graduate. Our higher education institutions and our students are struggling.

Figure 1: COVID-19’s Impact on Colleges in the Year Just Concluded (2019–2020)

	In the year that just concluded, my state's colleges had significant unplanned technology and faculty/staff professional development and training costs to offer remote instruction	The move to remote learning resulting from the pandemic exposed differences in broadband access, especially in rural areas of my state	Federal funding for broadband is a major need in my state
Strongly Agree/Agree	36	36	32
Neutral/Don't Know	2	2	6
Strongly Disagree/Disagree	0	0	0
Responses	38	38	38

Source: Education Policy Center, University of Alabama, 2020 National Access and Finance Survey.

The Federal Response in 2019–2020: CARES Funding

The bipartisan Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law by President Donald J. Trump in March 2020. Federal guidelines required state plans for spending all CARES funds by December 31, 2020. The funding portion for higher education came in two pots: one for emergency relief for students and one for institutional aid to help colleges cover the costs of canceled housing and dining contracts, facility cleaning, and transition to remote instruction.⁴ It is clear that pandemic-related costs of the sudden, abrupt public health necessity of shifting from in-person to remote learning in the spring term of 2020 were much higher to institutions and states than the federal funding received through the CARES Act.⁵

A letter from the American Council on Education signed by President Ted Mitchell to Congressional leaders called for \$120 billion in additional relief “to stave off catastrophic consequences” for higher education.⁶ “If unaddressed,” the letter concludes, “the ramifications will linger for years...[many] students who left will not return, programs that were eliminated will not be restored, and some institutions will be forced to close after drawing down what few resources they have left.”⁷ This letter is clear: with states forced to cut budgets, and the federal government dragging its feet on additional relief, the higher education sector—and the country’s future workforce—is being left behind.

When asked to respond to the item, “Federal CARES funding helped students in my state,” all 38 state respondents were in agreement (Figure 2), and 15 indicate “strongly agree.” To the item, “Federal CARES funding helped institutions in

Figure 2: The Impact of CARES Funding in 2019–2020		
	Federal CARES funding helped students in my state	Federal CARES funding helped institutions in my state with budget shortfalls
Strongly Agree/Agree	38	29
Neutral/Don't Know	0	2
Strongly Disagree/Disagree	0	7
Responses	38	38

Source: Education Policy Center, The University of Alabama, 2020 National Access and Finance Survey.

my state with budget shortfalls,” 29 respondents were in agreement, and of those 29, 7 indicated “strongly agree.” The survey responses clearly show NCSDDC members believe federal CARES funding helped institutions in their states with budget shortfalls. We also asked the respondents to estimate the percentage of pandemic-related budget shortfalls CARES did not cover; responses ranged widely from 10 to 80 percent.

Additional Funding for COVID-19 Expenses is Needed in 2020–2021

It is likely states will need additional funding to help their institutions stay open during 2020–21 as the pandemic continues. Figure 3 below shows responses to a list of items a panel of experts helped EPC develop for this survey.⁸ We combined the responses of “strongly agree” and “agree” together, then rank ordered the list. If tied, we listed the item with the largest number of “strongly agree” responses first. “Tech/remote learning support,” “Faculty/Staff professional development,” “College counseling/advising,” and “Mental health services” were the top four items respondents indicated required additional funding. A majority of respondents believe additional funding is also needed for “Pandemic specific support,” “Vaccines,” “Testing,” and “Contact tracing.”

Figure 3: COVID-19’s Predicted Impact on Colleges in 2020–2021				
<i>To help colleges in my state open/stay open next year, additional funding is needed for...</i>	Strongly Agree/ Agree	Neutral/ Don't Know	Strongly Disagree/ Disagree	Responses
Tech/remote learning support	33	2	1	36
Faculty/Staff professional development	33	2	1	36
College counseling/advising	33	2	1	36
Mental health services	32	3	1	36
Pandemic specific support	27	7	2	36
Vaccines	26	8	2	36
Testing	25	8	2	35
Contact tracing	23	10	2	35

Note; Not every respondent provided a response to each item.
Source: Education Policy Center, University of Alabama, 2020 National Access and Finance Survey.

Completing work with limited internet access on inappropriate devices is difficult, if not near-impossible. As the pandemic continues in 2020–2021, some colleges have had COVID surges.⁹ While mental health services is not the top-ranked item, “several recent surveys of students suggest their mental well-being has been devastated by the pandemic’s social and economic consequences, as

well as the continued uncertainty about their college education and post college careers.”¹⁰ Mental health services were listed as a top priority in a survey of 295 college and university presidents conducted between April and July 2020 .¹¹

Hundreds of thousands, if not millions, of dollars in unplanned expenditures have been made for testing, personal protective equipment, and other COVID-19 prevention methods.¹² The CARES funding is being depleted very quickly, and there is demand for another stimulus package.¹³ Even with a second stimulus package, colleges and universities will be challenged to fund the infrastructure to administer a vaccine when it is produced.

All Sectors Will Face Fiscal Strain in 2020–2021; But Rurals Face the Most

Figure 4 shows respondents think all three public higher education sectors—community colleges, regional and flagship universities—face fiscal strain in 2020–21. Respondents were asked which of these sectors face the greatest fiscal strain in 2020–21. Within the community colleges and regional universities, which serve the largest numbers of first-generation, low income, and minority students, we asked for responses by geographic type (rural, suburban, or urban) of college.

Figure 4: Fiscal Year 2020–2021 will see fiscal strain at public higher education institutions in my state...

	Community/Technical Colleges			Regional Universities			Flagship Universities
	Rural-serving	Suburban-serving	Urban-serving	Rural-serving	Suburban-serving	Urban-serving	
Strongly Agree/Agree	38	35	33	29	26	26	28
Neutral/Don't Know	0	2	3	5	6	6	5
Strongly Disagree/Disagree	0	0	0	0	0	0	0
Responses	38	37	36	34	32	32	33

Source: Education Policy Center, University of Alabama, 2020 National Access and Finance Survey.

A strong majority of respondents predict all three public higher education sectors will face great fiscal strain in 2020–21. For community colleges, 38 believe rural-serving community colleges will see great fiscal strain, a result consistent with past years’ surveys. Similar results are predicted for rural-serving regional universities. Small rural institutions lack economies of scale, and state disinvestment has especially challenged these colleges. Suburban- and urban-

serving community colleges and regional universities will not be spared. That no respondent disagreed for any sector speaks to the dire climate that exists today.

Public colleges and universities already faced financial troubles before the pandemic began.¹⁴ Some experts believe pressures from COVID-19 will force some colleges to close for good: “They just won’t be able to deal with [this]...on top of the financial pressures that they’ve already had. Of course, that’s going to lead to a lot of damage in the Northeast, in the Midwest, and in parts of the South.”¹⁵

Concluding Thoughts

The full impact of COVID-19 cannot and will not be known for many years, but the current effect is important to examine. The 2020 National Survey of Access and Finance Issues found federal CARES funds helped in fiscal year 2019–20, but additional unplanned expenses will make 2020–21 challenging, especially if a second CARES act does not pass. If enrollments decline as predicted, the lower graduation rates that will follow will impact the economy for many years to come.

THE EDUCATION POLICY CENTER AT THE UNIVERSITY OF ALABAMA

Established in 1924, the Education Policy Center is The University of Alabama’s oldest center or institute. Through its ongoing nonpartisan research and programs, it seeks to assist the College of Education and the University to fulfill their mission to improve the quality of life for all Alabamians. The EPC promotes expanding access and success, strengthening equity, and advancing economic and community development with special emphasis on telling the story of the Deep South to policymakers in Alabama, the region and nation.

Director: Stephen G. Katsinas, Ph.D.

Associate Director: Nathaniel J. Bray, Ph.D.

Project Coordinators/Managers: Brandi N. Stacey, Michael S. Malley, Jr.

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Research Associates: John Bruno, Emily Grace Corley, Brandon Glover, Emily Jacobs, Noel Keeney, Stephanie Paul, Hunter Whann, and Jonathan Bowen

Box 870231, Tuscaloosa, Alabama 35487 · Telephone: (205) 348-6004 · <http://edpolicy.ua.edu>

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