Investing in Missouri:
Creating a Better Future for Our Families

A well-educated workforce helps attract businesses. And Missourians with the skills and education needed to compete for the jobs of tomorrow are better able to care for their families and make ends meet.

But too many Missourians still can’t get the education and training needed for a good-paying job.

Those with at least a college degree have higher incomes and are less likely to face unemployment. But instead of investing in the education of our citizenry, Missouri has chosen to cut funding for both two- and four-year colleges. Tuition has soared, making it hard for working families to afford a college education while trying to make ends meet.

Attaining higher education degrees is central in increasing incomes and opportunity for work. The most recent data from the U. S. Department of Labor indicate that Americans with a college degree have incomes that are 64 percent higher than those with a high school diploma, and they are less likely to face periods of unemployment.
Skilled Workers Earn More,
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A skilled workforce is also critical to employers who rely on the skills of their workers to be able to effectively compete in a global marketplace.

But, in 2013, just one-third (33.3 percent) of Missourians age 25 and older had attained an associate’s degree or higher.

At the same time, Missouri’s investment in public higher education has declined. Since state budget year 2009, Missouri’s funding for public four-year higher education institutions decreased by $16.7 million. While this reduction may appear modest, when adjusted for inflation, the impact is even more severe. Had state funding for higher education simply kept pace with inflation, Missouri’s four-year colleges would have received $100 million more in the current year.2

Similarly, state funding for Missouri’s two-year community and technical colleges has also flat-lined, increasing by just 1.1 percent over the same period. If state funding had simply kept pace with inflation, Missouri’s community colleges would have $13 million more in funding today than what they received in the 2016 state budget year appropriation.3
The amount of state and local funding per student also decreased over the same period. When adjusted to 2014 dollars, the funding per student in Missouri dropped from $7,172 in state budget year 2009 to $5,297 in state budget year 2014, a drop of 26 percent per student.4

Since 2009, as Missouri’s state funding for higher education declined, tuition & fees for Missouri’s public four-year higher education institutions have risen by 14.66 percent on average, increasing from $6,803 to $7,800; and tuition for Missouri’s public community colleges increased by more than 26 percent over that same period. 5 The rising cost of college is likely putting a higher education out of reach for many Missourians.

Missouri must better support public higher education to ensure that Missourians can compete for 21st century jobs, provide for their families, and attract jobs and businesses to the state.
1 United States Census Bureau, 2009-2013 American Community Survey 5-Year Estimates

2 The Inflation Rate as measured by the Consumer Price Index was 10.4 percent between 2009 and 2015. 2009 funding of $783 million when adjusted for inflation would have the same purchasing power as $865 million today.

3 Funding for Missouri Community Colleges was $143.9 million in state budget year 2009 and $145.4 million in 2016. 2009 funding would have the same purchasing power as $158.86 million today.


5 DHE: Beginning with the 2008-2009 academic year, if a public institution’s tuition and fee increase over the previous year exceeds an amount set by a formula which incorporates the average tuition among public four-year institutions in the state and State Technical College, as well as the national urban consumer price index (CPI-U), the institution must either remit five percent of its state appropriation or request a waiver from the Commissioner of Higher Education. If the Commissioner determines that a waiver is not warranted, a recommendation will be made to the Coordinating Board on the remission of funds up to five percent of state appropriations. The Coordinating Board will then make a binding and final decision on the matter.