

# Public Higher Education Institutions Face Fiscal Uncertainty

By Don Sutherland

In the aftermath of the receding COVID-19 pandemic, public colleges and universities face increased fiscal vulnerability. In one part, enrollment changes have created greater fiscal uncertainty. In a second, the impact of the pandemic on state and local government finance has increased fiscal uncertainty.

Some of that uncertainty has temporarily been addressed by federal relief spending. However, questions concern what will follow the end of the federal fiscal relief.

*Inside Higher Ed* [reported](#):

*Congress has authorized \$6.4 trillion in economic relief over the past 14 months, billions of which was earmarked for or available to spend on colleges, universities and other state higher education programs, according to a new [report](#) by the State Higher Education Executive Officers Association.*

*As a result of the COVID-19 pandemic, many states experienced a decline in state tax revenue between the 2020 and 2021 fiscal years. Without enough money to fund their previously approved budgets, several states passed midyear cuts to higher education spending...*

*So far, the three rounds of stimulus funding have largely made up for cuts to state spending on higher education during the pandemic, mirroring what happened more than a decade ago during the Great Recession. While colleges and universities will receive quite a bit more money this time around, questions remain about what will happen when the federal dollars run out.*