

# Capacity Building Workshop: Insights on the U.S. System of Higher Education



MINISTRY OF  
EDUCATION AND CULTURE  
FINLAND



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## U.S. Context

### U.S. Higher Education Context

- Governance
- Funding
- Headwinds
- Unique Features

### Q&A



# Context

## United States



# U.S. Context

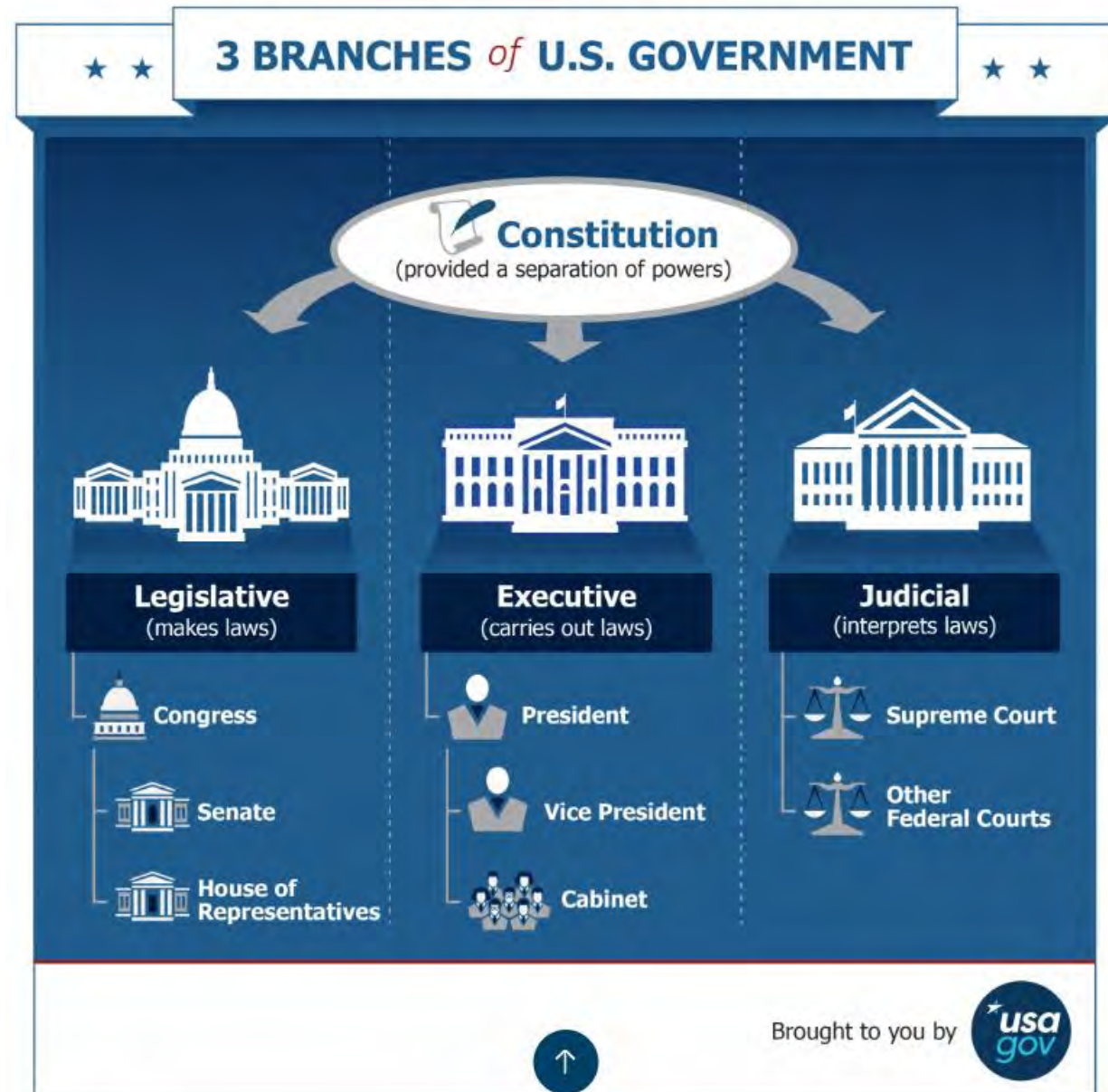
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- 4<sup>th</sup> largest country in world – by area (9.5 million km<sup>2</sup>)
- Population: 342 Million (U.S. census, 2025)
- Wealthiest Large Nation (based on GDP/overall wealth)



# U.S. Context (cont.)

## Separation of Powers of the Branches of the Federal Government





# U.S. Context (cont.)

## State Governance:

- 50 states
- Federal district
- 5 territories (Puerto Rico, Guam, the U.S. Virgin Islands, American Samoa, and the Northern Mariana Islands)

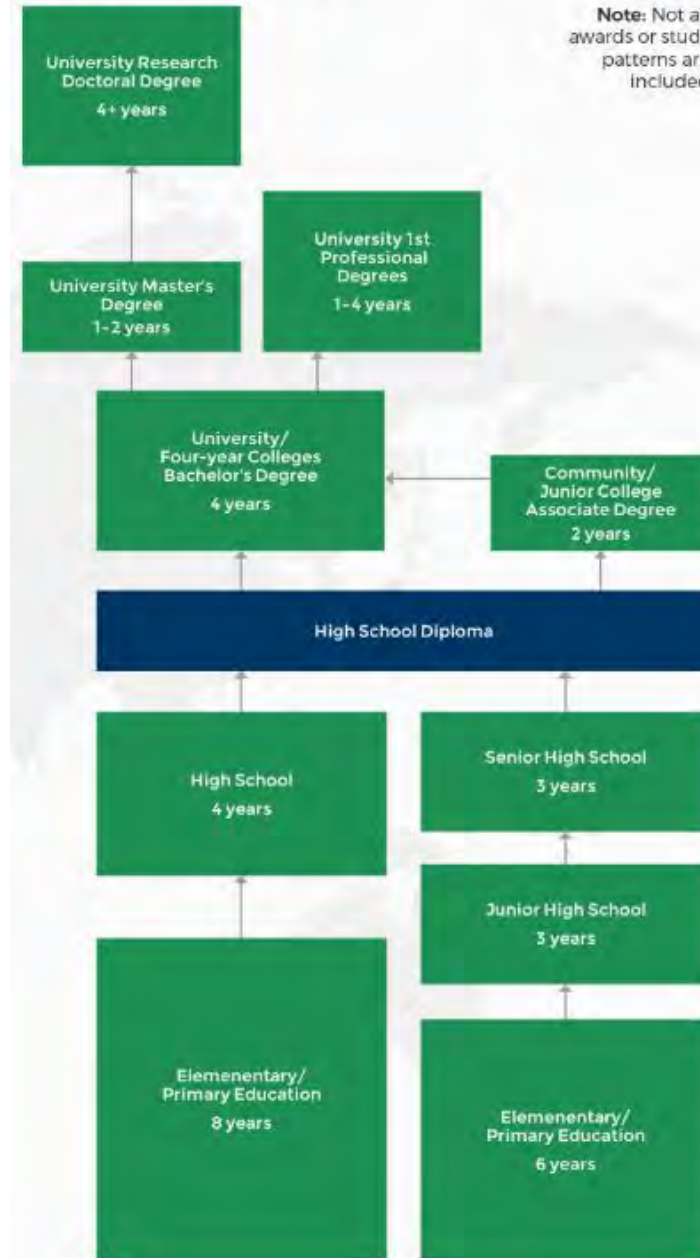
Responsibility for Education → States





# Wider educational context

## EDUCATIONAL SYSTEM



# Context

## U.S. System of Higher Education



# Higher Education Governance & Structure

- More diverse (horizontally) and stratified (vertically) than any other system in the world (Cantwell 2018)
  - "System of Systems" (p. 232)
- HE Policy: very decentralized (Cantwell 2018)
  - **States & Territories:** Set policy & distributes funding
  - **Federal government:** Funds HE research & student financial aid
  - **HEIs:** Shared governance(board, admin, academic)



# High Participation System

1st high participation system in  
1940-50's (Cantwell 2018)

In 2022, **51%** 25-34 year olds had  
completed a tertiary degree  
(OECD 2023a)

- OECD avg. - **47%**
- Finland – **43.1%** (2023)



## 2 HE sectors → wide variance in both

### 2-year (community colleges)

- Vocational/Technical, junior/community college
- Applied degree programs
- Transfer to 4-year HEIs

### 4-year (universities/teaching colleges)

- Research universities & teaching colleges
- Bachelor, Masters, PhD, Specialized
- Most research is performed in this sector



# Diversity of U.S. Higher Ed



Community College of Aurora, Colorado

**3,896** degree-granting post-secondary institutions in 2022-2023 (NCES 2023)

## HEI type:

- 2 year: 1,268 (33%)
- 4 year: 2,628 (67%)

## Control

- Public: 1,599 (41%)
- Private (non-profit): 1,614 (41%)
- Private (for profit): 683 (18%)

## Accreditation (~Quality Assurance)

7 regional associations (HEI level)  
Academic & program level





*Pete Saloutos/UCLA*



*Paul Coco/Yale*

- Funded by State
- Tuition more affordable
- Secular (non-religious)
- Larger campus – more facilities
- More degree options, student clubs
- Larger student body

**Public**

**Private**

- Funded by tuition & private investments/donations
- Tuition more expensive
- May be specialized (e.g., religious, women's, tribal, Ivy League, etc.)
- May offer specialized curriculum (liberal arts)
- Smaller campus, number of degree options, class size

Rank	Institution Name	Classification	Enrollment
1	Arizona State University Campus Immersion	Public	80,065
2	Texas A&M University, College Station	Public	74,014
3	University of Central Florida	Public	68,346
4	Ohio State University, Main Campus	Public	60,540
5	New York University	Private Nonprofit	59,144

**Largest (4-year research intensive) Universities**  
(NCES 2024, Fall 2022 enrollments)



# Governance

## U.S. System of Higher Education

# State Governance



## 50+ different systems/environments

### **State funds (public unis) core activities:**

- Teaching & learning
- Infrastructure (facilities)
- (small amount of) R&D & student aid

State's typically use formula funding - input

**Trend** → in general, states have been disinvesting in public HE since the 1980s

*\*\* Public/Private HEIs face different requirements & governance/regulations*



# Federal Governance



Mountain Gateway Community College,  
Virginia

## Federal Government Funds:

- 1.) Research & Development: NSF, NIH, DOD, etc.
- 2.) Student Financial Aid

## Regulate HE:

- Data Collection: required for institutions receiving funds
- Laws (*including but not limited to*):
  - Immigration laws
  - Disability access
  - Anti-discrimination (Title VI, IX)

*\*\*Treats Public/Private HEIs similar*

# HEI Governance



## **Board:**

- Strategic management & oversight/fiscal fiduciary
- Appoints & evaluates senior leadership
- Includes members from outside & inside (admin & academic)

## **Administration:**

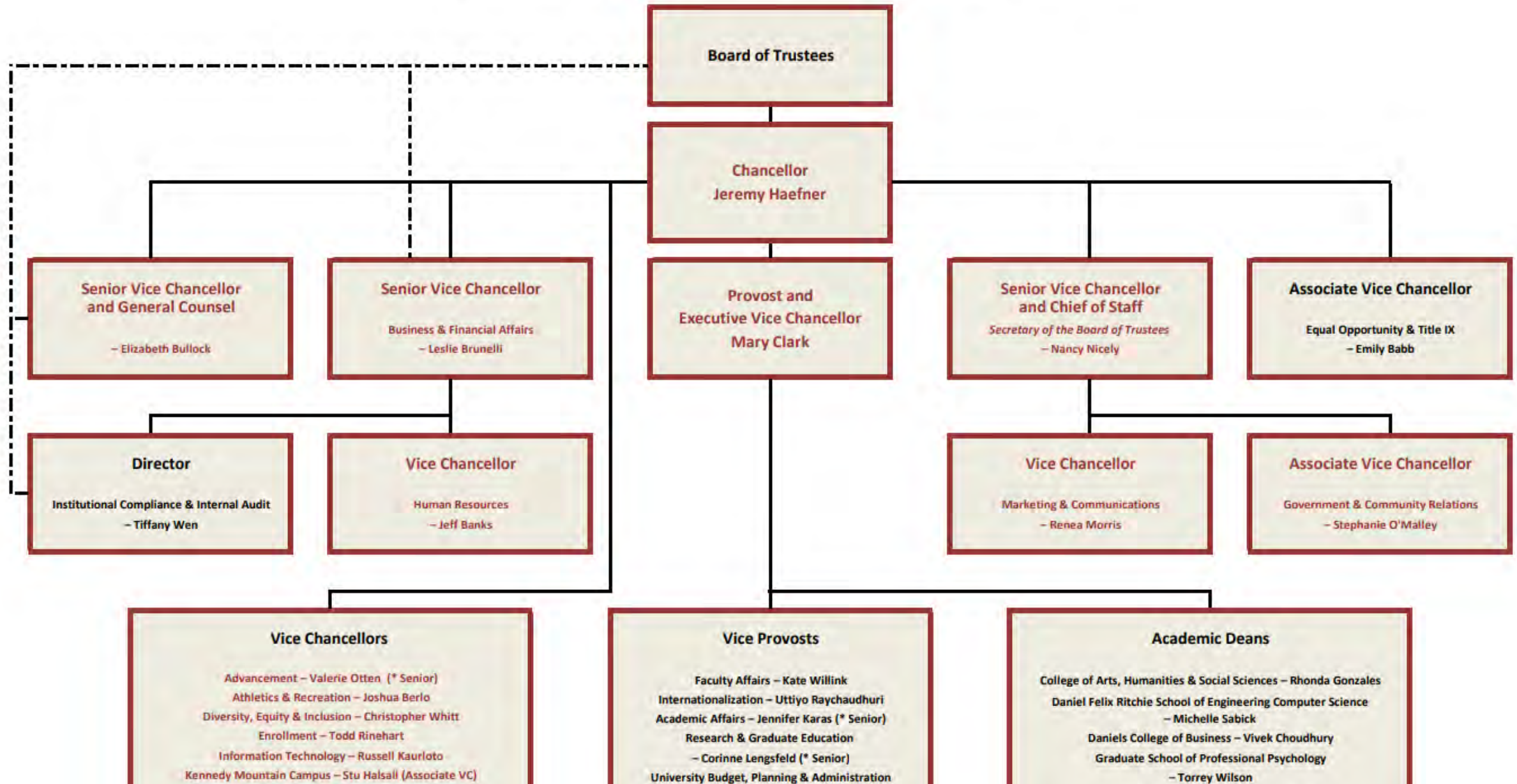
- Day-to-day management; makes significant decisions (e.g., creates HEI policy, sign contracts, etc.)
- Largest source of growth in HEIs (Slaughter & Rhoades 2004, Slaughter & Cantwell 2012)
- 7% growth between 2021-2023 (BLS 2023)

## **Academic staff:**

- Academic content & policy
- Movement towards contingent faculty (Slaughter & Rhoades 2004, Slaughter & Cantwell 2012)



# UNIVERSITY OF DENVER – ORGANIZATIONAL CHART



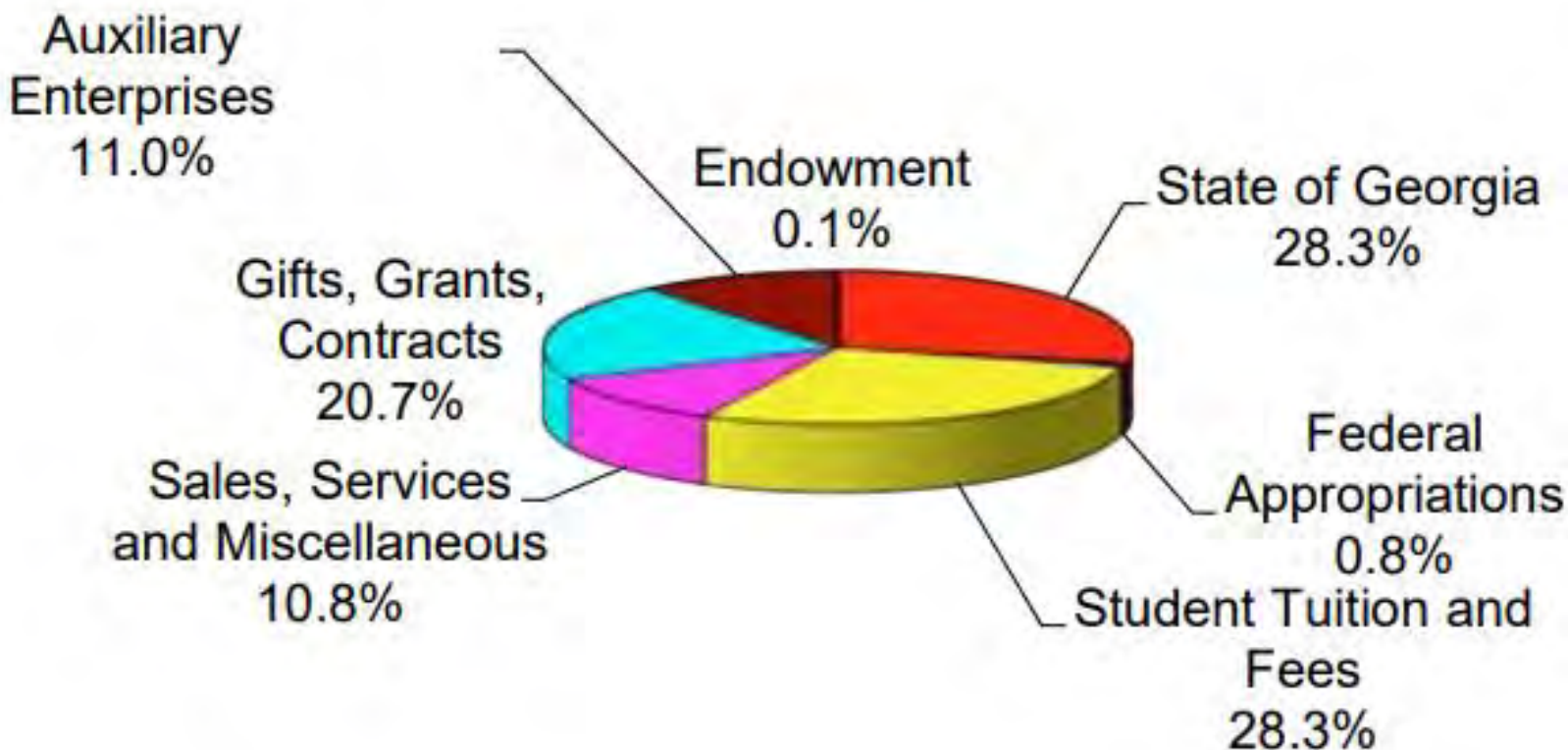
# **Funding**

## U.S. System of Higher Education



## Example: Sources of revenue at the University of Georgia

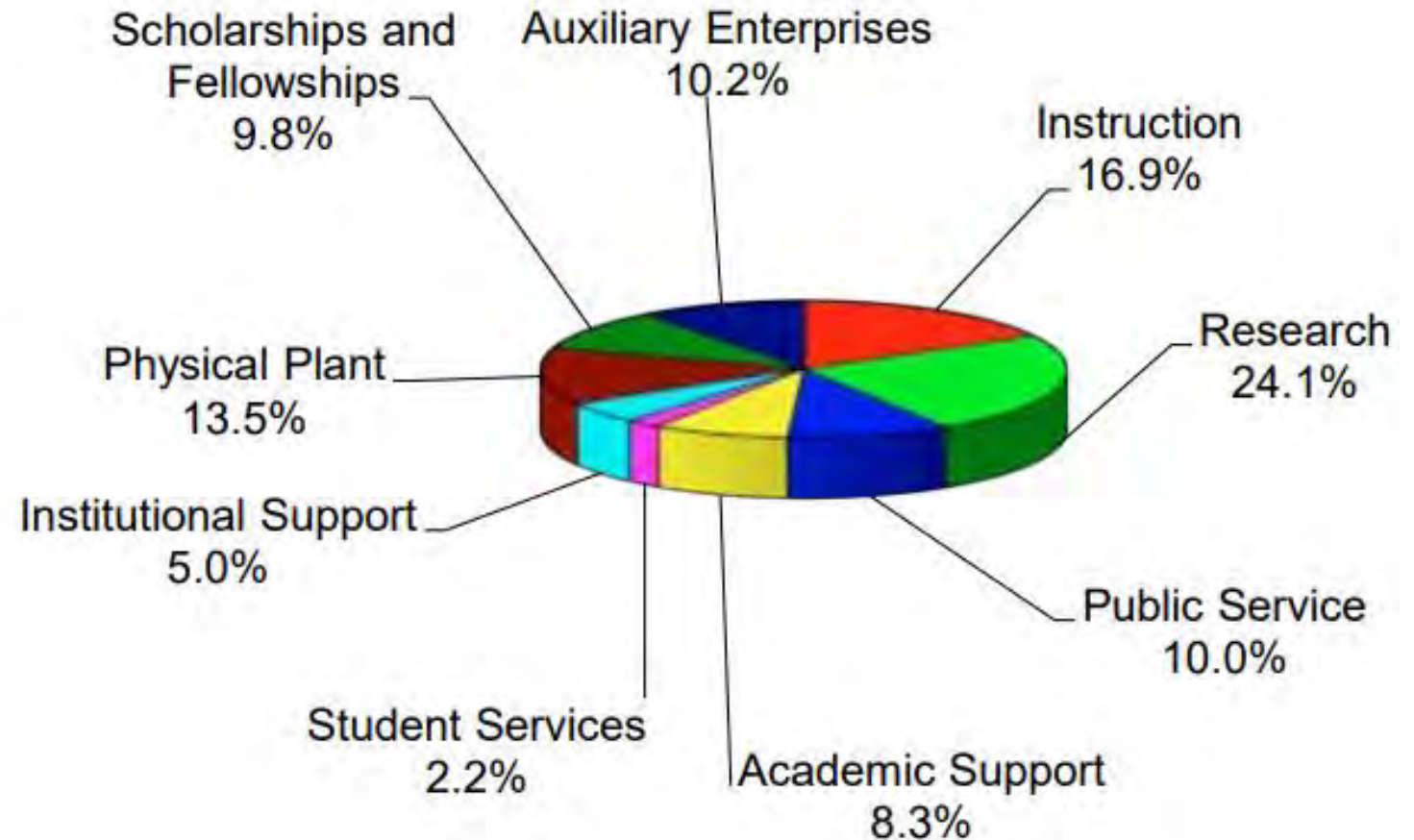
# Funding



Source: UGA Fact Book 2024

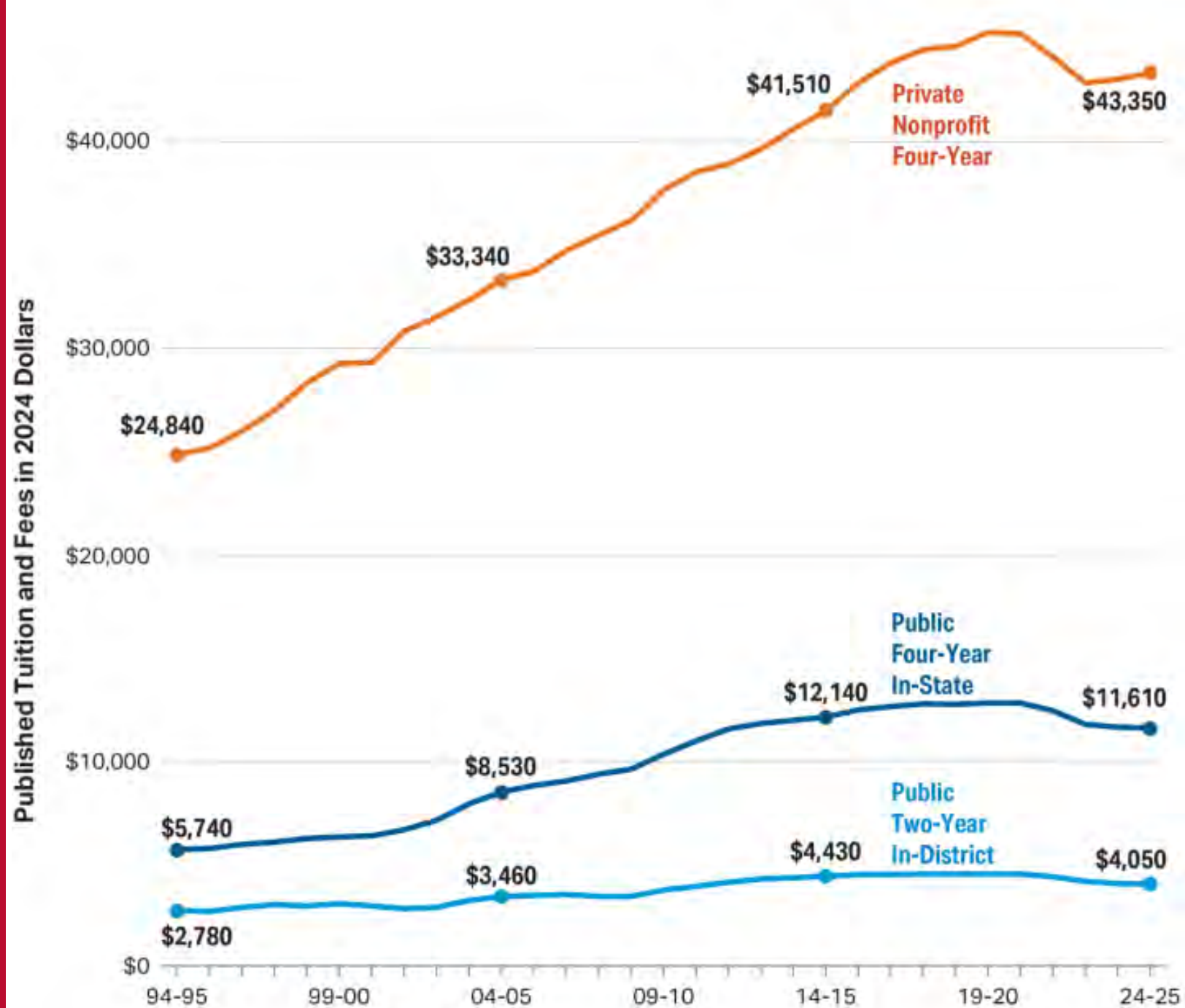
# Funding

## Example: Distribution of (2023) expenditures at the University of Georgia



# Average Published Tuition & Fees

(Enrollment-Weighted) in  
2024 Dollars by Sector, 1994-95  
to 2024-25





- Many students do not pay “sticker price” as they get tuition discounting (Cantwell 2018)
- US HE is a high-cost, high-aid system
- HEIs in the upper parts of the institutional hierarchy are less tuition dependent than other sectors

# Funding

## ROI:

- Despite high tuition & fees individuals can expect to receive a return on their investment
  - Adults with tertiary degree earn 72% more than those with only upper secondary degree (OECD avg= 57%, OECD 2023a)



# Student Loan Debt

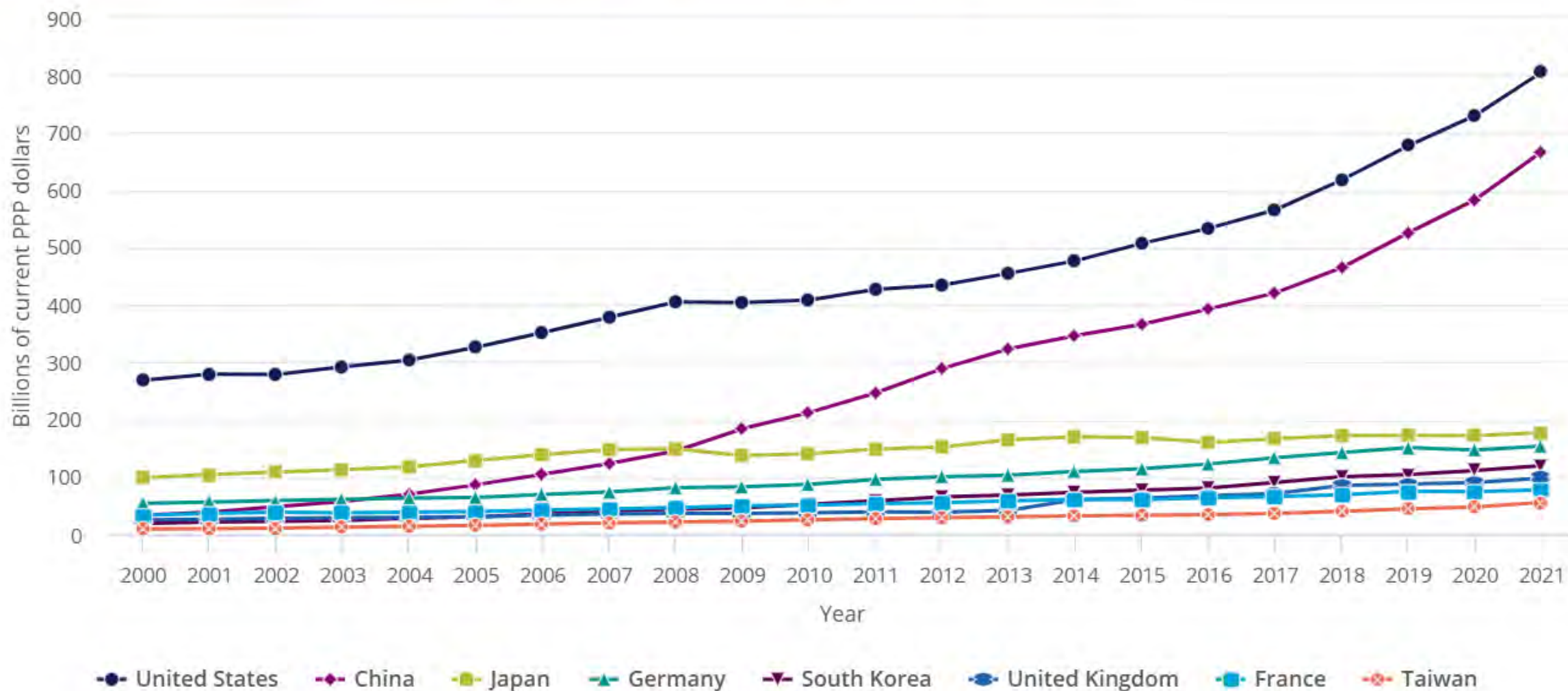
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The total average student loan debt (including private loan debt) may be as high as **\$40,681**.

- The average federal student loan debt is **\$37,853** per borrower.

# R&D Funding (OECD, 2023a)

Gross domestic expenditures on R&D, by selected country or economy: 2000–21





# GERD for selected region, country, or economy, by performing sector and source of funds: 2021

(Billions of current U.S. PPP dollars and percent)

Region, country, or economy	GERD (PPP US\$billions)	R&D-performing sector: Share of total (percent)				R&D source of funds: Share of total (percent)			
		Business	Government	Higher education	Private nonprofit <sup>a</sup>	Business	Government	Other domestic	Rest of the world
United States <sup>b</sup>	806.0	77.6	8.3	10.4	3.7	67.9	19.9	5.5	6.7
EU-27	474.1	65.6	11.6	22.0	0.8	57.0	30.8	2.4	9.9
China	667.6	76.9	15.3	7.8	NA	78.0	19.0	NA	0.2
Japan	177.4	78.6	8.4	11.9	1.2	78.1	15.5	5.9	0.6
Germany	153.7	66.9	14.8	18.3	NA	62.8	30.0	0.3	6.9
South Korea	119.6	79.1	9.8	9.1	2.0	76.1	22.8	0.8	0.3
United Kingdom	97.8	70.9	5.1	22.5	1.5	58.5	19.4	11.4	10.6
France	77.2	65.7	11.7	20.5	2.1	55.4	32.5	4.4	7.7

NA = not available.

EU-27 = European Union; GERD = gross domestic expenditures on R&D; PPP = purchasing power parity.


<sup>a</sup> The private nonprofit sector comprises all nonprofit institutions serving households except those classified as part of the higher education sector.

<sup>b</sup> Data for U.S. GERD differ slightly from the U.S. total R&D data tabulated elsewhere in this report. For better consistency with international standards, U.S. GERD includes federal capital funding for federal intramural and nonprofit R&D, in addition to what is reported as U.S. total R&D. The data for U.S. funding from the rest of the world include funding for business R&D and academic R&D.

## Note(s):

Some data are preliminary and may be revised later. Percentages may not add to 100% because of rounding. Germany's nonprofit sector expenditures are included in data for other performing sectors. Classification of sectors follows Organisation for Economic Co-operation and Development (OECD) surveys. U.S. data have been adjusted for international comparability. Foreign currencies are converted by OECD to U.S. dollars using PPP.

## Source(s):

National Center for Science and Engineering Statistics, National Patterns of R&D Resources (2020–21 edition); OECD, *Main Science and Technology Indicators*, September 2023, [https://stats.oecd.org/Index.aspx?DataSetCode=MSTI\\_PUB](https://stats.oecd.org/Index.aspx?DataSetCode=MSTI_PUB) .

# Headwinds

## U.S. System of Higher Education

## America Approaches 'Demographic Cliff'

# Enrollment (Demand) Cliff

Low birth rates during/after *Great Recession* = decline in the number of students (age 18-24) entering college (2025-29).

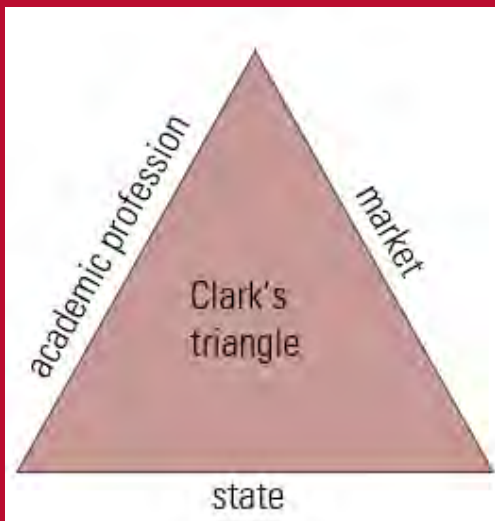
**Combating the Enrollment Cliff**  
Can international student recruitment be a lifeline for U.S. institutions?

As 2025's Demographic Cliff Looms, How Far Will College Enrollment Fall?

**A looming 'demographic cliff': Fewer college students and ultimately fewer graduates**



# New Relationship Between HE & Society?



Triangle of coordination:  
Clark, 1984

- Public trust: concerns about cost and return on investment
- Political polarization
- Federal policy changes

*For Some Young People, a College Degree Is Not Worth the Debt*

**Students, Parents and Voters Agree—  
Higher Ed Costs Too Much**

# Increased Costs to Run HE

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- Inflation
- Increased student needs & rising standards of care (e.g., mental health services)
- Increases in the cost of salaries, benefits, financial aid, maintenance and technology

## The Unsustainable Rise in College Costs

How to bend the cost curve without sacrificing quality and equity.

# Leadership Crisis

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Leadership drought of people interested in senior level leadership positions (President, Chancellor, Provost).

The 'perfect' storm:

- 1.) Financial
- 2.) Justifying ROI
- 3.) Navigating politics & geopolitics

*Higher Education's Leadership Crisis*  
Columbia's Minouche Shafik is the latest Ivy League resignation. Will it prove a turning point?

## Navigating Higher Education's Accelerating Leadership Crisis in the US



# Unique Features

## U.S. System of Higher Education

# Student Affairs

## What is Student Affairs?

Our role on campus is to enrich student learning and support student development and growth. Our programs, resources, facilities, and diverse staff help to make the campus smaller, more dynamic, and welcoming for everyone. Whatever the interest or need, we are committed to help students find their place at UGA and thrive through campus engagement.



Intentional student services  
to help students grow,  
develop, and thrive.



## Our Departments

The Division comprises more than 20 departments that provide student support and services. Student Affairs also has **shared services departments** that support the work and staff of the Division's student facing areas. Learn more about our departments through the links below.

Basic Needs Center

Campus Dining Services

Career Services

Center for Inclusion and Social Change

Center for Student Involvement

Conference Services

CU Student Government

Dean of Students

Environmental Center

Events Planning & Catering

Fraternity & Sorority Life

Housing

New Student & Family Programs

Off-Campus Housing & Neighborhood Relations

Recreation Services

Residence Life

Student Conduct & Conflict Resolution

Student Legal Services

Student Support & Case Management

University Memorial Center

Veteran and Military Affairs

Volunteer Resource Center

Source: [About the Division of Student Affairs | Division of Student Affairs | University of Colorado Boulder](#)



# Athletics

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- Admissions & enrollment
- Financial (input vs. output)
- School pride/identity/reputation
- Local economy



Source: [Photo Galleries - Ohio State](#)

The Ohio State University, Capacity: 102,780

# Athletics



11 Samu Salminen 

**Position:** Forward

**Ht./Wt.:** 6-2 / 205

**Class:** Junior

**Hometown:** Helsinki, Finland

**NHL:** New Jersey Devils | 3rd Round | 68th Overall | 2021 NHL Draft

**Last Team:** Connecticut Huskies



# University Mascots

School spirit  
Sense of community  
Identity and values

**University of Georgia Bulldogs**  
“UGAXI” or “Boom”



**University of Colorado Buffaloes**  
“Ralphie”



# University Mascots

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## An unconventional mascot for an unconventional campus

Is there anyone who doesn't love Sammy the Slug?

In a counterculture reaction to the fierce athletic competition at most U.S. universities, UC Santa Cruz students chose the Banana Slug as their teams' unofficial mascot in the early years.

Source: [Our Mascot: Sammy the Banana Slug – UC Santa Cruz](#)



**University of California Santa Cruz Banana Slugs**  
“Sammy”



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# THANK YOU

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[Leasa.Weimer@du.edu](mailto:Leasa.Weimer@du.edu)

