



January 13, 2016

ISSN: 1094-5296

McKeown-Moak, M. P., & Mullin, C. M. (2014). *Higher education finance research: Policy, politics, and practice*. Charlotte, NC: Information Age Publishing.

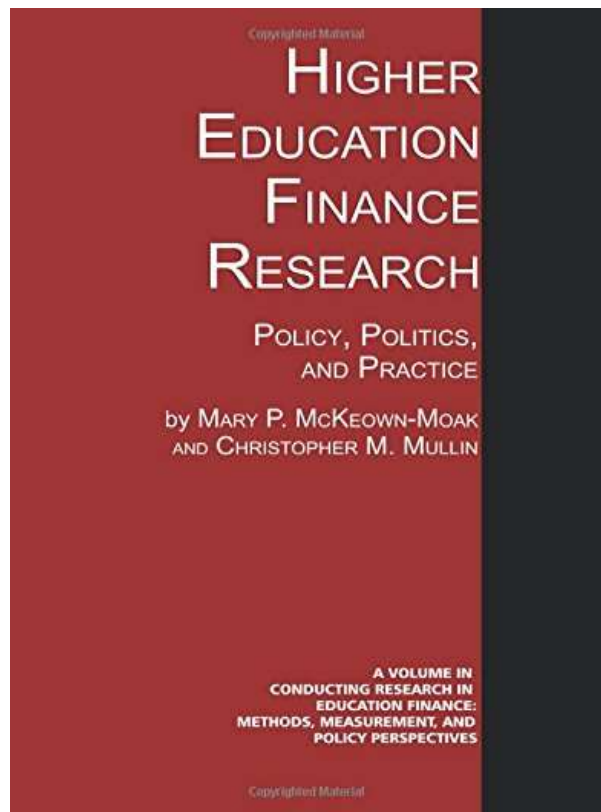
Pp. xix+374

ISBN: 978-1-62396-493-1

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The authors of *Higher Education Finance Research: Policy, Politics, and Practice* sought to put together a comprehensive text for use by higher education scholars and students. The book provides explanations of broad concepts within higher education finance and policy, as well as technical information about specific datasets and techniques for analysis. As a convenient, comprehensive text for the study of higher education finance and policy, the authors hit the mark with *Higher Education Finance Research*. This text is an excellent resource for professors of higher education and graduate students. It would also find a great deal of use by higher education researchers who seek a convenient, compact resource that provides a wide range of information for easy reference.

Mary P. McKeown and Christopher M. Mullin bring their expertise in the field of higher education finance and policy research to bear in this well-organized text. McKeown offers a broad and deep perspective on higher education finance,



having served as president of the American Education Finance Association (now known as the Association for Education Finance and Policy, as well as chief financial officer for the Arizona Board of Regents. In addition to these roles, McKeown has experience working as a researcher and consultant for MGT of America across the country. Mullin adds to this depth of knowledge a more specific focus on community colleges, federal student aid, and federal education finance policy. Together, these authors bring a wealth of knowledge into one cohesive text that provides the foundational knowledge salient to the study of and informed dialogue about higher education finance.

The first section of the text is devoted to basic information about the history of higher education finance and the general organization of higher education in the United States. The first chapter serves as an excellent resource for the entry-level student of higher education finance, as the authors provide important definitions for terms that are specific to higher education and relevant for understanding the extant literature about higher education finance. The first section also provides the central tenets of quality higher education finance research – a field that is similar to K-12 finance, yet different in important ways. Covering everything from the histories of higher education funding to understanding Carnegie classifications to the evolving definitions of full-time enrollment (FTE), this would suit an introductory graduate level course on higher education finance as it is comprehensive yet approachable for students.

Another valuable section to students and scholars includes a thorough listing and explanation of data sources related to higher education revenues and expenditures. In Chapter 2, the authors provide many useful tables, and two in particular deserve closer examination. Table 2.5 provides a listing of available secondary data related to higher education finance. In addition to the listing of the data sources, the authors provide

information as to the level of detail the data covers (i.e. state level, institutional level, etc.) as well as the frequency of data collection. Not only is all of this information presented in a handy table, but the authors also go the extra step to provide web links for each database as available. I can envision this table being particularly useful in instruction as students can be directed to this table to discover data for class projects or independent research. However, such a concise and useful presentation of available data will be beneficial to higher education finance scholars writ large.

A second particularly important resource provided in Section One is Table 2.3, which offers the authors' preferred measures for standardizing data for comparisons. Because data is collected in different ways and definitions vary by database, the authors provide a concise cross-listing of types of revenues or expenditures found in higher education finance data with preferred measures. This results in a very accessible table that empowers students and scholars to identify when they are comparing like measures. For example, for instruction as an expenditure category, the authors recommend FTE as a standardized measure, but when examining student services expenditures, they recommend a headcount over FTE when comparing two institutions. In the complex, and often politicized, field of "what money goes where" in higher education, Table 2.3 provides clarity on how a researcher can cut through much of the complexity to ensure appropriate comparisons.

In the second section of the book, the authors begin digging into the nuts and bolts of higher education finance. The second section of the book offers a look into student-oriented revenues, institutionally-oriented revenues, and funding formulas. In the classroom setting, the portion will be useful to students as they learn about the role of tuition in revenues as well as the concept

of discounting drawn from the field of economics. While offering the specifics of how the money comes into and goes out of colleges and universities, the authors do not neglect more philosophical and social aspects of the topic. For example, the authors mention the work of McMahon (2009), under whose calculations, “the state and/or local community should support more than 60% of the cost of higher education because the state and local community receives more than 60% of the benefits” (McKeown-Moak & Mullin, 2014, p. 70). This lends open the space for critical discussions of the purposes of postsecondary education, issues of equity in postsecondary education, and the monetized value of postsecondary education. Furthermore, the authors provide a highly useful typology of “Options for a Federal Role in Financing Postsecondary Education” offered in Table 3.2 (McKeown-Moak & Mullin, 2014, p. 84). This typology delineates the ways in which the federal government impacts the financing of higher education along two dimensions – financial impact and power impact. The inclusion of the dimension of power within the typology covers issues of equality and diversity. The willingness to engage with critical issues alongside the mechanics of higher education in this book sets it apart from others.

Section three of the text moves further into critical aspects of higher education finance and policy – the accountability movement in education overall and its impact and implications for postsecondary education. Additionally, this section covers the topic of returns on investment in higher education, a topic ripe for philosophical and fiscal debate. The first two chapters of section three are dedicated to understanding the development of accountability paradigms in higher education, useful information about performance metrics used by both states and institutions in an accountability framework, and a variety

of performance-based approaches to fiscal analysis.

The authors discuss the limits of connecting performance mechanisms to outcomes noting confounding factors such as other accountability practices in the state, enrollment size, faculty composition, and institutional mission. However, the authors suggest other types of analysis as more appropriate within the accountability and performance-based funding paradigm that come from the fields of economics and K-12 school finance. Specifically, they suggest that equity analyses that are used in K-12 finance research are useful and appropriate for higher education, citing important concepts within the K-12 fiscal equity literature such as vertical equity and horizontal equity, along with pertinent statistical measures used in equity analyses such as the McLoone Index, Gini Index, and Versteegen Index. The authors cite Berne & Stiefel (1984), the seminal text in K-12 finance scholarship, but provide only a glimpse into the concept around horizontal and vertical equity. Another paragraph or two acknowledging the advances in K-12 school finance research, such as the work of Guthrie, Springer, Rolle, & Houck (2007), Houck & Eoam (2012), and Rolle, Houck, & McColl (2008) which touch on newer concepts such as adequacy and liberty, would have been appreciated as these nuances have been important in the study of school funding at the elementary / secondary level.

The authors provide an objective discussion of accountability frameworks in higher education finance, but leave something to be desired. This is a topic that typically generates rich dialogue and discussion among students and faculty, but the philosophical underpinnings of such discussions are neglected in this text. The authors acknowledge that:

It remains to be seen whether performance funding – that is, the

linking of higher education funding to specific goals that are in the interests of the state and the student rather than the institution – will be effective in achieving progress or improving the economy (McKeown-Moak & Mullin, 2014, p. 244).

While this statement is true – it does remain yet to be seen if this paradigm is useful in higher education – it rests on assumptions tacitly glossed over.

Specifically, at the heart of many debates around accountability in education generally is the diversity of opinions about the purpose of education. Is the purpose of higher education to improve the economy? Is that a partial goal among others? Is that the goal of some classifications of institutions but not others? As we measure returns on investment in higher education, it is important to think critically about what returns we measure, alongside those that provide more intangible, immeasurable benefits. At the very center of this issue lies the question: Is there space within our society – our public policies and cultural norms – for postsecondary education for the sake of postsecondary education, or rather, obtaining an education for the sake of becoming an educated person? If we value higher education, and therefore fund it according to our values, exclusively in monetized returns, we likely do not account for the personal and societal benefits of a liberal arts education, the kind that produces critical thinkers with the capacity to generate

and communicate new ideas, rather than workers trained for specific professional jobs. While the authors provide the empirical facts about accountability frameworks, they fail to offer a way into deeper discussions around the ethics and philosophies undergirding various perspectives on these frameworks.

In the last section of the book, the authors transition into a discussion of the role of research in policymaking, offering insights about presenting findings to policymakers in meaningful ways. This section covers the importance of providing a context for data when presenting an analysis in order to show the relevance of the research to audiences other than academic scholars. The authors' attention to the connection between research and policy practice is welcomed, and an important topic to cover for students studying higher education finance and policy.

In conclusion, *Higher Education Finance Research: Policy, Politics, and Practice* is an excellent book for instructors, students, and scholars of higher education to begin to explore these topic. The authors provide high quality, easily accessible resources throughout the text that can guide readers through the process of researching higher education funding—from thinking through the issues, to locating and analyzing data, to understanding the politics of higher education funding policy. This well-written text fills a need in the field of higher education finance and policy scholarship.

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About the Reviewer

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