

E&I Cooperative Services Releases 2025 State of Higher Education Procurement Industry Report

Timely analysis examines the complex challenges facing procurement professionals in higher education

JERICHO, NY, UNITED STATES, April 17, 2025 /EINPresswire.com/ -- <u>E&I</u> <u>Cooperative Services</u>, the only member-owned, nonprofit sourcing



cooperative focused exclusively on education, today announced the release of its comprehensive "State of Higher <u>Education Procurement</u> Industry Report 2025." This timely analysis examines the complex challenges facing procurement professionals in higher education.



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Eric Frank, CEO of E&I Cooperative Services The report reveals that higher education institutions are operating in what experts describe as "a perfect storm of disruption," with budget pressures, staffing shortages, and rising expectations converging at a particularly challenging time for the sector.

"This report is essential reading for education procurement and finance leaders who are being asked to do more with less in an increasingly complex environment," said Eric Frank, CEO of E&I Cooperative Services. "30-40% of universities are now facing budget deficits, many in the hundreds of millions of dollars,

requiring innovative procurement and cost management approaches."

Key findings from the report include:

- Significant funding challenges: State funding for higher education rose by 4.3% for FY 2025, but gains were largely offset by inflation, with 20 states seeing declines in state support.
- Rising operational costs: Institutional costs from wages, benefits, utilities, SaaS licensing, insurance, and compliance continue to outpace inflation.
- Demographic pressures: The number of high school graduates in the U.S. is forecast to decline

steadily for the next 15 years, dropping from 3.9 million in 2025 to a projected 3.4 million by 2041, a 13% decline.

- Policy uncertainties: Recent changes in federal education policy are creating additional financial pressures, including potential changes to NIH funding caps and endowment taxation.
- Global impacts: International student enrollment has declined by 11.33% from March 2024 to March 2025, representing a potential revenue loss exceeding \$4 billion for U.S. institutions.

In response to these challenges, the report highlights how institutions are implementing costcutting measures, conservative planning, reduced research, and seeking alternative revenue sources. The report also outlines how E&I Cooperative Services helps institutions leverage collective purchasing power to achieve significant economic benefits, savings, and support during this critical time.

E&I Cooperative Services was founded in 1934 by three higher education institutions during the Great Depression and continues its 90-year tradition of helping educational institutions navigate economic challenges. Today, E&I serves over 6,200 member institutions, managing \$3 billion in member purchases across more than 200 competitively solicited contracts.

The full report is available now to E&I members in the <u>EdPro Hub Procurement Community</u>. For more information about the report or to learn how E&I can support your institution's procurement needs, login or set up an account at https://edprohub.org.

About E&I Cooperative Services

E&I Cooperative Services is the only member-owned, nonprofit sourcing cooperative focused exclusively on education. E&I helps members reduce costs through competitively solicited contracts, saving them time and money while extending their purchasing power. E&I returns all revenue exceeding operating expenses to members through patronage refunds and dedicated funds for special projects that benefit the membership. For more information, visit https://www.eandi.org.

Nicole Katz
E&I Cooperative Services
+1 631-630-8294
email us here
Visit us on social media:
Facebook
X
LinkedIn

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