On Thursday, January 24, 2008, Florida’s Board of Governor’s authorized all eleven public universities to raise tuition by 8%. Faced with $147 million in cuts from the 2007-08 budgets and another $171 million in 2008-09, the Board initially considered a proposal to raise tuition 13% per year for the next five years. Tico Perez, chairman of the Board of Governor’s Budget Committee, explained the rationale: “We’ve reached a point in this state where we can no longer do more with less. We’re starting to get a little beyond cutting to the bone, we’re starting to cut off limbs.” To deal with the budget crisis, the Board also asked Chancellor Mark Rosenberg to develop a plan for “enrollment realignments” for each university. The result is that enrollment in Florida’s state university system could decline in the 2008-09 academic year. If this happens, it will mark the first such drop in modern memory, according to university system spokesman Bill Edmonds.  

A decade of state underfunding, combined with unfunded enrollment increases, has put Florida’s state universities and community colleges on the brink of a deep and serious crisis. Over the past decade, the State University System (SUS) increased overall enrollment an average of 3.2% annually. This growth came to a halt last summer, when the BOG imposed a three-year freeze on growth in freshman enrollment. To work its way out of this crisis, the universities may even have to cut back on community college transfers, who are guaranteed admission to a state university by the state articulation agreement. “The state university system is shrinking. We do not have the ability to continue to keep our doors open,” Chancellor Mark Rosenberg explained.  

Access to a higher education is AT RISK for all Florida students. High school graduates, many of them eligible for a Bright Futures Scholarship, will find that they can not get into one of our state universities. Parents, students, teachers, and high school counselors are already seeing evidence of tougher competition for fewer university seats. Gabby Rodriguez, a senior at Tampa’s Jefferson High School with a 4.3 grade point average, began investigating the radiology program at Hillsborough Community College last September when she realized that she had little hope of getting into one of Florida’s three Research I Universities. As more and more students are wait-listed and rejected, they will have to decide whether to enroll in a community college, postpone college, go out of state, or just give up on their college dreams. This looming crisis in higher education will affect all students. Without bold leadership from those at the helm of our educational system, thousands of eligible and deserving students will find that the doors of higher education have been closed.
A SHRINKING SYSTEM IN A GROWING STATE

Florida’s public universities may now be shrinking, but the state’s population is expanding and will continue to grow, though at a slightly slower rate than predicted a few years ago. As shown in Figure 1, all major racial and ethnic groups have grown rapidly, but the highest rates of growth among Hispanic residents made Latinos the largest minority population in the state. By 2030, Hispanics are projected to represent 27% of the state population.

Figure 1: Florida Population Growth by Race & Ethnicity, 1980-2030

To accommodate student demand, the SUS expanded to 11 universities and increased enrollment at an average annual rate of 3.2% from 1997 to 2007, as shown in Figure 2. By 2007, the SUS enrolled nearly 300,000 undergraduate and graduate students, with four institutions each having an enrollment in excess of 40,000 students.

Figure 2: State University System Total Enrollment, 1997-2007

Source: Florida, Office of Economic and Demographic Research, http://edr.state.fl.us/index.html

Source: Florida, Board of Governors, Interactive University Data, http://www.flbog.org/resources/iud/
The student population expanded at the same time it became more racially and ethnically diverse, as the doors of higher education opened to accommodate more underrepresented students. As shown in Figure 3, Hispanic enrollment increased the fastest among all minority groups, growing from 13.6% to 17.3% of the entire student population between 1997 and 2007.

**Figure 3: SUS Enrollment, by Race/Ethnicity, 1997-2007**

Source: Florida, Office of Economic and Demographic Research, [http://edr.state.fl.us/index.html](http://edr.state.fl.us/index.html)
The decision by the Board of Governors to freeze growth in freshman enrollment for three years, followed by the real possibility of “enrollment realignments” (cuts), will create a significant college access gap. The question is how wide this gap will be. Demand for higher education will continue to increase, and under normal circumstances, the SUS would adjust enrollment over the next five years to accommodate the growing student population. In one scenario completed by BOG planners, the SUS could expand enrollments at a rate 0.5% faster than population projections, with a 1% percentage point increase in high school graduation rates. In this ideal scenario (Scenario 1 in the graph below), total enrollment would increase to 339,557 by 2012. Another possibility is that the SUS will not be able to afford to admit any new students, so that the number of students in the SUS levels off at current levels. The result (Scenario 2 in the graph below) would be that total enrollment remains at or near the current level of 300,000. In a worst-case scenario that is not beyond the realm of possibility, the universities will cut enrollment by as little as 1.5% for each of the next five years. If this modest realignment occurred, total enrollment in the SUS would drop to less than 260,000 (Scenario 3 in the graph below). These three different scenarios, illustrated in Figure 4 below, reveal that 40,000 to 60,000 students may be unable to pursue their undergraduate or graduate education at a public institution in Florida by 2012. Their access to a college education hangs in the balance, pending decisions regarding tuition, enrollment realignments, and financial aid.

Figure 4: State University System Enrollment Scenarios

Many students unable to enter the SUS will look to the community college system for their higher education. Fall enrollment in our 28 community colleges increased from 320,710 in 1997 to 384,930 in 2007. Current estimates for modest growth in our community colleges are likely to be thrown off track if the SUS fails to grow enrollments to accommodate increasing student demand. Are our community colleges designed or prepared to accommodate the increased demand for courses and degrees that will likely result from the shrinking of our state universities? The primary mission of the community college system is to provide lower lever undergraduate instruction, prepare students for vocations that do not require a baccalaureate degree, and provide accessible baccalaureate degrees in high demand areas such as nursing and secondary education.5

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The growth in Florida’s SUS is coming to an end, but the growth in demand for higher education will not likely slow down. Between 1978 and 2006, membership in Florida’s public K-12 schools grew from 1,510,633 to 2,662,643, an increase of 76.3% in the last quarter century. This dramatic growth has been driven by exceptionally high rates of growth in Florida’s Hispanic and African American student population. The number of minority students in the public school system grew from 458,817 to 1,418,840, an increase of 209.2%. Although public school membership is likely to increase at slightly slower rates over the next five years, the number of high school graduates anticipated in the year 2012-13 is 130,352; that’s over 36% higher than 1997-98, as shown in Figure 5. Given that over 50% of Florida’s high school graduates were enrolled in a postsecondary institution in Florida, our eleven state universities and twenty-eight community colleges should be prepared and funded to accommodate the increasing demand for higher education.

**Figure 5: Florida Standard High School Diplomas and Projections, 1997-2012**

<table>
<thead>
<tr>
<th>Year</th>
<th>Standard Diplomas</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997-98</td>
<td>95,751</td>
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<tr>
<td>1998-99</td>
<td>98,892</td>
</tr>
<tr>
<td>1999-00</td>
<td>102,435</td>
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<tr>
<td>2000-01</td>
<td>106,374</td>
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<tr>
<td>2001-02</td>
<td>113,813</td>
</tr>
<tr>
<td>2002-03</td>
<td>120,847</td>
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<tr>
<td>2003-04</td>
<td>124,992</td>
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<tr>
<td>2004-05</td>
<td>126,648</td>
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<tr>
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<tr>
<td>2011-12</td>
<td>130,352</td>
</tr>
<tr>
<td>2012-13</td>
<td>135,060</td>
</tr>
</tbody>
</table>

**ORIGINS OF THE BUDGET CRISIS**

According to Chancellor Mark Rosenberg, two decades of declining funding for higher education have precipitated the budget crisis faced by our universities. This decline in funding occurred at the same time the universities expanded enrollment. Every year, the universities would admit more students with the hope that the legislature would subsequently provide additional funding for them. Unfortunately, state funding did not match enrollment growth, creating the need to slash the higher education budget this year. As shown in Figure 6, total state funding per full-time equivalent (FTE) student in 2005-06 constant dollars dropped from just over $14,000 in 1989-90 to only $10,728 in 2007-08.7

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A corroborating study released by the Southern Regional Education Board shows that funding in Florida per FTE student dropped 5% between 2001 and 2006. While Florida decreased funding, other universities in the southeast increased funding per FTE student by 3%.\(^8\)

The decline in state funding per FTE coincides with the first ten years of the state’s popular Bright Futures Scholarship Program. This merit-based award provides up to 100% of tuition to high school graduates who meet specific criteria, including a 4.0 grade point average. Partly because the Bright Futures award is tied to tuition, legislators have been reluctant to raise tuition, knowing that it would result in a higher appropriation for Bright Futures. Similarly, Florida’s popular pre-paid tuition plan is also tied to tuition, giving legislators additional incentives to keep tuition rates the lowest in the country. Consequently, the Board’s recent decision to raise tuition came under fire from key legislative leaders. Senate President Ken Pruitt took note of an earlier proposal to raise tuition 13% each year for the next five years. He compared the proposal to “the camel’s nose under the tent,” suggesting that the board will undoubtedly approve further tuition hikes if it is not checked by the legislature.\(^9\)

This budget crisis in higher education is, therefore, partly produced and exacerbated by an administrative structure with powers and responsibilities divided between and contested among elected officials and the Board of Governors. Article IX, Section 7 of the State Constitution, passed by the voters in 2002, provides that a Board of Governors, composed of fourteen citizens appointed by the governor, shall “operate, regulate, control, and be fully responsible for the management of the whole university system.” However, the legislature maintains that it holds the power to set tuition. In the summer of 2007 former governor Bob Graham, who had also led the petition drive to re-establish the Board of Governors in 2002, filed a lawsuit challenging the constitutional authority of the legislature to set tuition. In filing the suit Graham, joined by former U.S. Representative Lou Frey, former Florida State University president “Sandy” D’Alemberte, and the Board of Governors, charged that "Florida's substantial tuition shortfall as compared to the universities in the rest of the country is due entirely to the actions of the Legislature."\(^{10}\)

\(^{10}\) “College Tuition Lawsuit Fails Test,” *The News Press* (Fort Meyers) January 4, 2008.
In early January 2008, a Leon County judge dismissed this lawsuit on the grounds that Graham and the other plaintiffs did not prove that they had standing to sue. Senate President Ken Pruitt (R-Port St. Lucie) hailed the ruling as a victory for students and their families, but warned that the court decision was just “the first skirmish in a long battle.”  

The Board of Governors and the other plaintiffs were given an opportunity to clarify their standing and re-file the suit, which they did on February 4, 2008.

Without commenting on the merits of this case, its resolution will not necessarily resolve the dispute or clarify the administrative structure in ways that will enhance student access to and success in the state university system. Even if the courts eventually rule that the Board of Governors has the authority to set tuition, the legislature will continue to control appropriations and the Bright Futures Scholarship program. If the legislature retains its authority to set tuition, the state universities will lack the predictable funding system that would allow them to plan efficiently for enrollment growth, faculty hiring, and program development.

A QUESTION OF QUALITY

The focus of higher education leaders and policy makers should be on improving the quality of Florida’s universities to make them competitive with the nation’s best institutions. Only one of Florida’s eleven universities, the University of Florida, made it into the popular top 100 rankings of the popular U.S. News & World Report, and it came in at number 49. Florida State was ranked #112, the second highest place for a public Florida university. No other public university made it into the top 125, although the private University of Miami earned a #52 ranking. In contrast, eight of the ten campuses in the University of California system were ranked in the top 100 of all public and private institutions.

Further, Florida’s universities are moving in the wrong direction in one critical component of the national rankings: student/faculty ratios. The University of Florida and Florida State earned their rankings in part based on a student/faculty ratio of 21:1. However, as a state, Florida ranks dead last in this measurement, with a student/faculty ratio of 31:1. The national average is 25:1. In order to raise its student/faculty ratio to the national average, the system would need to hire an additional 2,000 faculty.

Gus Stavros, a member of the Board of Governors, summarized his perspective on the quality of Florida’s state university system. “We have the worst faculty-student ratio in the nation, we’re 42nd for need-based aid. I’m embarrassed. I’ve never been involved in a mediocre system in my life until now. Let’s do it [raise tuition].”

Unfortunately, the situation may get worse before it gets better. Because of layoffs, larger classes, budget freezes, and cuts in their travel budgets, tenured and tenure-earning professors are already beginning to take jobs in other states. Florida State University English professor Erin Belieu sounded the alarm in an editorial titled “Unnatural Disaster in Our Colleges.” Warning that an unprecedented catastrophe was descending on Florida, Belieu concluded that “the final result of all this havoc is that Florida’s public university professors are now looking to jump into any reasonable life boat that appears on the horizon—at FSU, practically every faculty member I know is either on the job market or preparing to be so soon. The tap is open wide and the Florida brain drain is on!”

POLICY QUESTIONS AND IMPLICATIONS

The policy questions raised in this policy report are so serious, complex, and politically controversial that they demand urgent attention from all state policy makers. It is unreasonable to expect the courts to resolve the controversy for us either, for no court decision will resolve all the issues related to state appropriations, tuition, and financial aid. According to Paul Lingenfelter of the State Higher Education Executive Officers, all three dimensions of higher education finance policy should be coordinated to 1) provide a quality education for all students, and 2) assure that all qualified students can afford to attend a university. Lingenfelter reports however, that “decisions about appropriations, tuition, and financial aid are made in isolation, in ways that inadvertently degrade student participation and success. Tuition rates may be increased without commensurate increases in aid, or tuition rates may be kept low, even when appropriations are inadequate to finance adequate spaces in
classrooms.” 16

Unfortunately, Florida’s system of financing higher education too closely resembles the dysfunctional system described by Lingenfelter. Efficiencies in administration can be gained by aligning and coordinating the decision-making process leading to tuition, appropriations, financial aid, enrollment, hiring, and program development. It is doubtful that these interrelated issues can be resolved in the narrow confines of a regular legislative session. To resolve this serious matter in higher education, ENLACE FLORIDA urges Governor Charlie Crist, Speaker of the House Marco Rubio, and Senate President Ken Pruitt to convene a higher education summit of state representatives, senators, the Board of Governors, the State Board of Education, and representatives of our eleven universities and our 28 community colleges.

This higher education summit should be organized to give policy makers time to engage in serious and deliberate reflection on the state of our higher education system and its strategic direction. The participants should consider the many recommendations issued by the Pappas Consulting Group in its January 2007 report, “Proposing a Blueprint for Higher Education in Florida: Outlining the Way to a Long-Term master Plan for Higher Education in Florida.”17 All issues, challenges, and opportunities should be put on the table for discussion and resolution, including the Bright Futures Scholarship program, tuition rates, and cost containment. Only bold, innovative, “out of the box” thinking will pull Florida’s colleges and universities from the brink and put them on the road to greater success.

ENLACE FLORIDA is a statewide network funded by the W.K. Kellogg Foundation and managed by NCCEP to promote college readiness, access, and success for Latinos, African-Americans, and other underrepresented students through non-partisan research, communication, advocacy, and support.

For more information on college access and financial aid issues, go to:

The Education Trust, http://www2.edtrust.org/edtrust
Florida Board of Governors, http://www.flbog.org/


Southern Regional Education Board, http://www.sreb.org/
State Higher Education Executive Officers (SHEEO), http://www.sheeo.org/about.htm
The Tomás Rivera Policy Institute (TRPI), http://www.trpi.org/
W.K. Kellogg Foundation, ENLACE (Engaging Latino Communities for Education), http://www.wkkf.org/

17 http://www.flbog.org/about/fbd/blueprint.php