

# Florida's Unnatural Disaster

The state's economic bubble has burst, leaving higher education in a double bind

By Jon Marcus

TALLAHASSEE, FLORIDA

**W**HAT FLORIDA NEEDS right about now is a hurricane. Not a major one that hurts anybody, T.K. Wetherell, president of Florida State University, is saying. Just big enough that people use their homeowners' insurance to buy roofing materials, new air conditioners, and other goods.

Wetherell is kidding—more or less. Considering that Florida has no income tax and depends almost entirely on sales taxes for government revenues, hurricanes over the last few years have generated jackpots for the state and, in turn, its higher education system. Recessions like this one, on the other hand, have proven unnatural disasters.

Even as Wetherell spoke, the legislature, meeting just a few blocks away, had just sliced another \$114 million from Florida's 11 public universities, or nearly five percent, to help close a \$2.3 billion budget shortfall. That was on top of a \$174 million decrease imposed just a few months before. The state's budget has shrunk by \$8 billion since last year, and even more money is likely to be slashed later this year, by which time revenues are expected to be another \$2.5 billion shy of original projections.

Add to this a history of political pressure that has forced the universities to open branch campuses all over the map but has prevented them from raising tuition above a level that remains the lowest in the country, and the situation in Florida may be as bad as it gets for higher education. All of this is happening in a state where the population growth, while slowing, remains the sixth highest in the nation, and at a time when a flood of people who have been laid off—or expect to be—need career retraining, putting huge pressure on besieged community colleges.

"It was destined to crash at some point," said Wetherell, who has watched the evolution of this problem from all sides as a former speaker of the state House of Representatives and former president of Tallahassee Community College. "It's the worst I've ever seen in my tenure in education or politics, and I was speaker in 1991 and '92, which was the last big one. That was mild compared to this. All the chickens have come home."

What they've brought with them to FSU is an abrupt \$45 million worth of cuts so far this academic year alone. The university has eliminated 250 positions and canceled plans to hire 100 new faculty. Teaching loads for existing faculty have increased, and at least 62—including some of the brightest stars, 27 of them tenured and 35 on the tenure track—have quit since August, many for higher-paying jobs at universities with more stability. "We lost people we didn't want to lose," said Wetherell. "They're thinking, 'I don't need to put up with this anymore.'"

Classes are growing larger, and more of them are being led by teaching and graduate assistants and adjuncts; the student-faculty ratio in Florida is more than 31 to 1, compared to the national average of 25 to 1. The planned completion of a \$100 million campaign called Pathways to Excellence to boost

Florida State University's national reputation has been pushed back by at least two years. Journal subscriptions, professional memberships and travel have been curtailed. So have mail delivery, trash collection and landscaping. Even the university's National Magnetic Field Laboratory, which is the source of almost as much pride as its football team, has had its hours shortened to save money on utilities.

But perhaps the most widely felt move is a dramatic cutback in the number of freshmen the university accepts. Florida State took 5,053 this year, down from 6,326 the year before, and might cut

the number further in the fall. This would shut out students previously considered qualified to join the lucky 39,136 who have won the privilege of attending this historic red-brick campus, with its carefully manicured grounds and Spanish moss draped from the branches of huge old oak trees—landscaping cutbacks or not—in the slow-paced, southern-accented state capital.

The University of Florida has also cut its freshman class, by 1,000 students, and the University of South Florida has frozen its enrollment.

And that's just the beginning. Some estimates predict that the state's four-year universities, which together have 300,000 students, will collectively shrink their enrollment by as many as 17,000, even while demand continues to increase. At both Florida and Florida State this year, for example, there were more than 20,000 applicants for those coveted, fast-disappearing places in the freshman class. To get into the University of Florida last fall, the average freshman needed an SAT score of 1293; at Florida State, 1261. The universities are also losing hard-earned minority enrollment. The number of black students in the entering class fell 27 percent at the University of Florida, 15 percent at FSU, and 23 percent at the University of



Colin Heckley, Black Star, for CrossTalk

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These cuts at the public four-year universities have pushed more students into community colleges, which have open admissions, and whose enrollment is soaring while their own resources are in freefall. The same week the universities lost \$114 million in state funding, the state’s 28 community colleges were cut by a collective \$44 million.

As with many things, Florida provides an extreme example here, too, of what is happening more slowly elsewhere in the country: the creation of a two-class system in which largely white graduates of private and suburban public high schools enjoy the prestige of attending four-year flagship universities, while urban, rural, low-income and non-white students fill beyond capacity the classrooms of community colleges.

“The fact of the matter is we’re serving a population that the universities refuse to serve,” said Eduardo Padrón, president of Miami Dade College—a community college in the throbbing heart of Miami that is now the largest institution of higher learning in the United States, with nearly 165,000 students. “We’re open-door, while the universities are becoming more selective, limiting enrollment, requiring higher SATs and GPAs. The result of that is we’re getting the bulk of the students.”

Bridging neighborhoods of bodegas, exotic-smelling cafes Cubano, and check-cashing stores on one side, soaring new condo towers and the Miami cruise-ship port on the other, the main campus of Miami Dade has, if not a grassy quad, at least a brick pedestrian plaza. But rather than scattered students strolling unhurriedly from one class to another, it teems with people of different hues and speaking different languages walking briskly or standing in long lines everywhere, from the office where they pay their bills to the entrance to the parking garage that seems to be the largest building at the college.

Miami Dade has the highest number of Hispanics, and the second-highest enrollment of blacks, of any college or university in America. Nearly 60 percent of its students earn \$25,000 or less, and half of those live below the poverty line. They come from 192 countries and speak 93 languages, and most are the first in their families to go to college.

Community college enrollment in Florida is up 14 percent in the last two years, to more than 800,000 students, even as funding plummets. Yet unlike the four-year universities or even primary and secondary public schools in Florida, the state’s community colleges aren’t funded ahead of time for their predicted enrollments, but are allocated money based on a rolling average of the number who attended in the previous three years, which means they are constantly falling behind. “When it comes to funding, community colleges are the Cinderellas of the system,” Padrón said. “We get the money after the fact, if we’re lucky.”

One upshot of this is that Miami Dade is getting no money at all from the state for 13,000 of its students—equal to the total that attends the private University of Miami in nearby Coral Gables. The college’s facilities are 40 percent over their capacity. Students say that as many as 60 of them at a time are being packed into what are supposed to be seminar-style classes, forced to scrounge around the corridors for desks, or at least folding chairs, and taking notes on their laps.

Evidence of why the college is so crowded, and why Florida higher education is in so much trouble, is all around the campus. Those pricey condo towers are largely empty, cruise-ship bookings have flattened out after years of increases, hotel occupancy is way down, and things are slow at the fancy shopping mall across Biscayne Boulevard, even on a sunny, 78-degree winter day. All of which means that less sales taxes are being collected—a staggering \$31.4 billion less in the next four years, economists predict—an amount equal to half the current annual state budget.

Florida’s growth machine fueled, and was fueled by, the state’s historical aversion to taxes. Low taxes, after all, attracted the retirees, and, later, families with children, who moved here. Now, after years of breakneck population growth that kept government coffers flowing, Florida’s bubble has burst. Long dependent on real estate, tourism and construction, the state has gone from leading the nation in job creation to leading in job losses, and from the lowest unemployment rate to the ninth highest. The construction industry alone has shed 79,000 jobs. Florida is second in foreclosure filings, and 300,000 homes remain unsold, six times the previous average. From first in the country in the value of its gross domestic product, Florida has plunged to 47th.

When times were good, politicians seldom had to make particularly hard decisions about how to spend the money. Now, like T.K. Wetherell’s chickens, that legacy of political expediency also has come home. Years of haggling over control of it has had the effect of leaving all levels of the state’s higher education system particularly vulnerable to the worsening recession.

Governance of public higher education after World War II was assigned to the seven-member Florida Board of Control, which in practice controlled very little, while the legislature micromanaged universities and colleges. The same was generally true of its successor agency, the Board of Regents, set up in 1965. By the 1990s, legislators decided to rid themselves of the regents, who often got in the way of their plans for campuses in their home districts. The end for the board came in 2001, when it resisted Governor Jeb Bush’s resolve to eliminate affirmative-action policies at public universities. Bush pushed to replace the Board of Regents with boards of trustees for

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each school. Instead, the next year, distrustful voters approved a new Board of Governors, ostensibly to run the universities independently of both the legislature and the governor.

It didn't work out that way. Bush stacked the new board with political allies, including a conservative radio talk show host. It had the distinction of being, according to consultants hired by the board itself, "the least-experienced higher education entity in the country."

Meanwhile, legislators continued to demand new branch campuses, which the consultants (from the Connecticut-based Pappas Consulting Group) found were undersized and overly expensive but were politically popular. The Board of Governors approved new medical schools at Florida International University and at the University of Central Florida, in addition to the two that already existed and the one at the University of Miami, for which the state provides financial support. The price was so high, the consultants said, it could have paid for up to five new universities.

A prepaid tuition program locked in the cost of tuition, fees and housing from the time a family opened an account. And a much-heralded new scholarship program to be paid for with lottery proceeds, Bright Futures, was launched to reward students who met certain academic criteria with up to full tuition at a public university, whether or not they had financial need for it. These things also were wildly popular with voters, as was Florida's consistently low public university tuition, which remains the cheapest in America—from \$3,400 to \$4,000 a year, depending on the campus. But the consultants proved to be killjoys at the party. "All of these economic decisions, while fueled in many ways with good intentions, will bankrupt the state's higher education system," they warned soberly.

In fact, Bright Futures, which one Florida newspaper called a middle-class entitlement program, will cost \$436 million this year, even as falling discretionary income has left lottery revenues flat. It is so expensive that it has drained money from need-based financial aid, which now accounts for barely 20 percent of all state tuition assistance. That puts Florida 42nd among the 50 states in the availability of need-based financial aid. And one in five students now at Florida universities and colleges has a prepaid tuition contract, meaning their tuition cannot be raised more than 6.5 percent per year.

Tuition itself has been the thorniest problem of all. Legislators haven't wanted to increase it, because every time tuition goes up, they have to spend more on the ravenous Bright Futures scholarships. As for the governor, Bush's successor, Charlie Crist, vetoed a proposed five percent tuition increase just two years ago. It was the wrong time to raise tuition, he said, when residents were facing increases in property taxes, insurance rates and gas prices. In response to criticism about the veto from university presidents, he told an interviewer they could hand over their jobs to someone else.

Crist has since changed his position in the face of the widening hole in his budget, allowing a "premium tuition increase" of up to 15 percent for Florida State, the University of Florida, and three other of the largest public universities. Flanked by the mollified presidents, he has also announced his support for extending the same tuition flexibility to the rest of the campuses, letting them raise their own tuition by up to 15 percent a year until it reaches the national average. The

University of Florida, for instance, which now charges \$3,788 a year, would reach the national average tuition of \$6,900 by 2015, bringing in about \$21 million in new revenue. For an average student, the cost of attending a Florida public university next year would go up \$370. In all, the plan would raise \$1.5 billion over seven years, and nearly a third of that would be earmarked for need-based financial aid.

The proposal is awaiting action by the legislature, and a ruling in a typically Floridian lawsuit over who exactly has the right to set tuition, the legislature or the Board of Governors. There also is concern that lawmakers will use the money from tuition increases to supplant, rather than enhance, its state appropriations—a bait and switch about which the loudest warnings have come from Senator Bob Graham, a former governor and a longtime advocate of higher education. After all, Graham said, that's what happened when they decided to use lottery proceeds to pay for public education. Instead of supplementing the state appropriation for schools, the lottery revenues replaced it.

Resistance to increased tuition is lessening. As growing numbers of middle-class high school graduates started to be turned away by their first-choice four-year universities, Floridians surveyed last year said they were willing to pay more to keep the campuses afloat.

Nodding toward the window of his office, Wetherell used a favorite example: His grandson goes to private kindergarten "right here in Tallahassee, for \$8,000 a year," more than twice what it costs to go to Florida State. "I don't care who you are—liberal, conservative—you can't run a major research university on half a kindergarten tuition." Students, he said, who pay more for their cell phones than for their educations, were willing to shoulder more of the burden.

Opinion was slightly more mixed outside on the campus. "Students need to step back and realize it's not as bad as it could be," said Sarah Benvenisty, a freshman whose parents have a prepaid tuition account and who also receives a Bright Futures scholarship. It's also cheap to live in Tallahassee, her friend, Aaron Saltz chimed in. Still, he said, as the recession deepens, an increase will not be easy for students or their parents to pay. "No one has money anymore. And we don't have time to work."

Asia Williams, a junior, agreed. "We just don't have the money," she said. "We'll have to turn to loans, which will bury us deeper," her classmate Michol Wimberly added. "Cut it from something else. Not education. That's how you

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Len Kaufman, Black Star, for CrossTalk

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get ahead.”

Aside from Graham, businesses have become the biggest advocates of Florida’s beleaguered public universities—partly for the very reason Wimberly cited. Improving higher education, they believe, is how Florida can get ahead, diversifying its economy and dodging downturns like this one in the future. It was businesses that lobbied Crist to let the universities increase their tuition, complaining that Florida ranks 46th in bachelor’s degree production, and 47th in degrees in science or technology—important measures of its economic competitiveness. Barely a quarter of adult Floridians have a bachelor’s degree or higher,

compared to more than a third in other states.

But even double-digit increases in tuition seem unlikely to undo the damage of the chronic underfunding of the higher education system here. Constantly feuding with the legislature, it turns out, was the wrong way for the Board of Regents and the Board of Governors to win higher state appropriations, which climbed by just under 65 percent in the last ten years. That places Florida at 44th among the 50 states. New York, by comparison, increased its higher education spending 76 percent during the same time period, and North Carolina 86 percent. With less than half the population, North Carolina now spends about the same as Florida on public higher education.

The same day Wetherell was expounding about the impact of the budget cuts on FSU, his hometown *Tallahassee Democrat* was editorializing bitterly that Floridians “live in their fantasy of wanting what they want, but paying naught.” Among the state’s many retirees especially, said Wetherell, “There’s a mentality of, ‘I did my job in Ohio or New York, or wherever. We’ve done our deal on education, and I respect it, but I don’t want to pay for it anymore.’”

Meanwhile, students continue to trickle down—it’s actually more of a flood—to even less well-funded community colleges. More than half of Florida students already end up there, compared to the national average of 45 percent. “Students who don’t get into the universities come to places like Miami Dade because, I guess, they think we have room,” said Ophelia Somers, president of the Student Government Association at the college’s main campus. But room is a long-lost luxury.

“When I first started out here, during registration, you would have to wait, but it was only 20 minutes or so,” Somers said. “Now you’ll be in a line of 200 people. Class size has gone up a lot. The classes you need to take are filled way before the beginning of the semester. They can’t open up more because there aren’t enough professors or classrooms.”

And for students at places like Miami Dade, Padrón said, increasing the price is more than an inconvenience. “For our students, raising tuition a few dollars could be the difference between putting food on the table or not,” he said. The average

family that sends a child to a community college in Florida pays 25 percent of its income to do so, up from 18 percent ten years ago. That is a larger percentage than is paid by families that send their kids to a four-year public university.

“A lot of people come here just because it’s cheaper,” said Ricardo Chirito, a freshman and the son of Colombian immigrants. Chirito could have gone to four-year Florida International University but chose to attend the vast expanse of pre-cast concrete that is Miami Dade’s campus in the strip-mall Miami suburb of Kendall. “I hate to say it,” said Christian Moreno, Kendall’s student-government head, but if tuition goes up—and it almost certainly will—“people are going to drop out.”

Yet when voters statewide were asked in November to let counties have the authority to raise their sales tax half a cent to pay for community colleges, the measure—also pushed by businesses—was defeated. “Some people don’t view community college as important,” said Moreno, who graduates in May from Miami Dade’s honors program and plans eventually to go to law school. “They see it as vocational. But the level of maturity here is probably higher, since students have to juggle a lot of things.”

“Community colleges are constantly underestimated,” added Somers. “People in Florida—people everywhere—have a lot of bias against community colleges. But we truly represent the fact that everybody deserves the right and the privilege to learn. We may get that student from an urban neighborhood, but that student will come out of here being able to converse with different cultures and handle diverse situations, and go to any job and any career, and do well.”

Students also worry that cash-strapped four-year universities will stop honoring articulation agreements that guarantee them the right to transfer in as juniors, assuming they meet certain standards—especially as their numbers continue to swell. Already, more than 15,000 community college graduates move on to four-year universities each year. Their concerns may be warranted. “If you assume that that wave is coming through, we can’t handle ‘em,” said Wetherell. For now, however, he is sticking to the guarantee.

Currently, with that wave approaching, the four-year universities overloaded, and businesses pushing for more graduates with bachelor’s degrees, there are plans to let some of the community colleges grant four-year degrees in high-demand fields including nursing and teaching. Eight, including Miami Dade, already do so.

There is also a proposal to change the way the higher education system is governed, for the fourth time in ten years. It calls for an elected commissioner of education, and would do away with the appointed Board of Education, whose role would be taken on by the elected cabinet officers. It also would include a statewide coordinating board for community colleges.

The idea is to eliminate the constant battle for control, and to refocus attention on fixing Florida’s embattled public higher-education system.

Or, there could be another solution, Wetherell joked: “You could also give me a little hurricane.” ♦

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Jon Marcus is a writer based in Boston who covers higher education in the U.S. for the (UK) *Times Higher Education* magazine.