

ACCESSIBILITY, FINANCIAL AID AND RESOURCES AT FLORIDA STATE UNIVERSITY

January 2011



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OVERVIEW

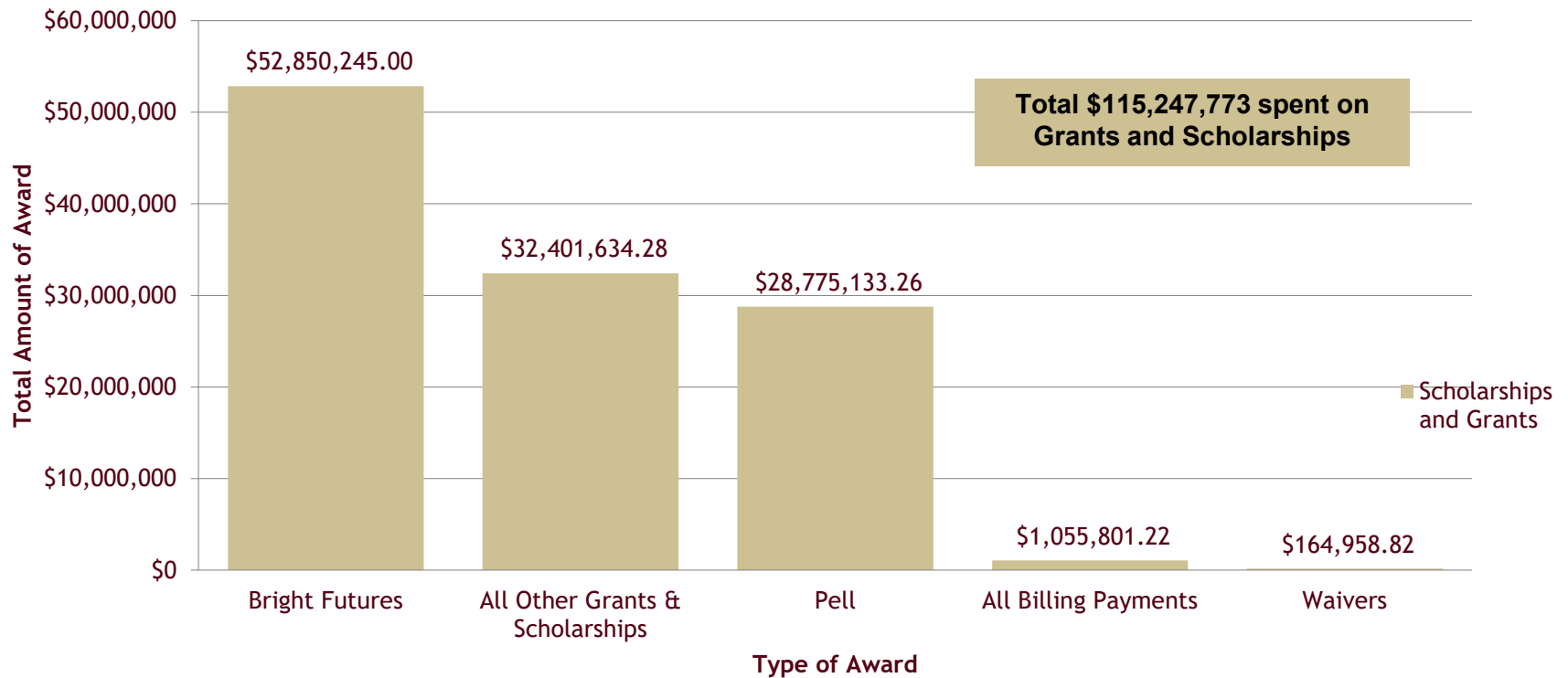
- ✓ **Context**
- ✓ **The Tuition Alternative**
- ✓ **The Role of Financial Aid**
- ✓ **Insuring Accessibility and Affordability**



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FSU FINANCIAL AID TOTALS

Breakdown of Grants and Scholarships
Excludes Loans and Excludes Prepaid Tuition - Fall 2009 and Spring 2010



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TENSION BETWEEN RESOURCE NEEDS AND ACCESSIBILITY

- **Low overall costs and greater financial aid equals greater accessibility**
 - Our Legislature has done an exceptional job of promoting accessibility; Bright Futures has clearly worked to keep the best and brightest in Florida and our overall tuition and fees are a real bargain compared to U.S.
 - Florida State University has been named a “budget ivy” and was ranked 4th as an affordable high quality education
- **Challenge is to fund Higher Education in the face of State budget deficits so that low cost doesn’t compromise our hard-earned quality**



CRITICAL NEED FOR RESOURCES

- **Core Budget Down 25% since 2007-08**
- **Impact**
 - 20% decrease in technical staff
 - 12% decrease in clerical staff
 - Suspended a number of programs/majors (37)
 - Over 125 fewer faculty for the same number of students
 - Decreased ability to secure grants & foster innovation
 - ~100,000 Student Credit Hours taught with non-recurring funds



TWO PRESSING ISSUES

1. The Significant Decrease in Assistant Professors

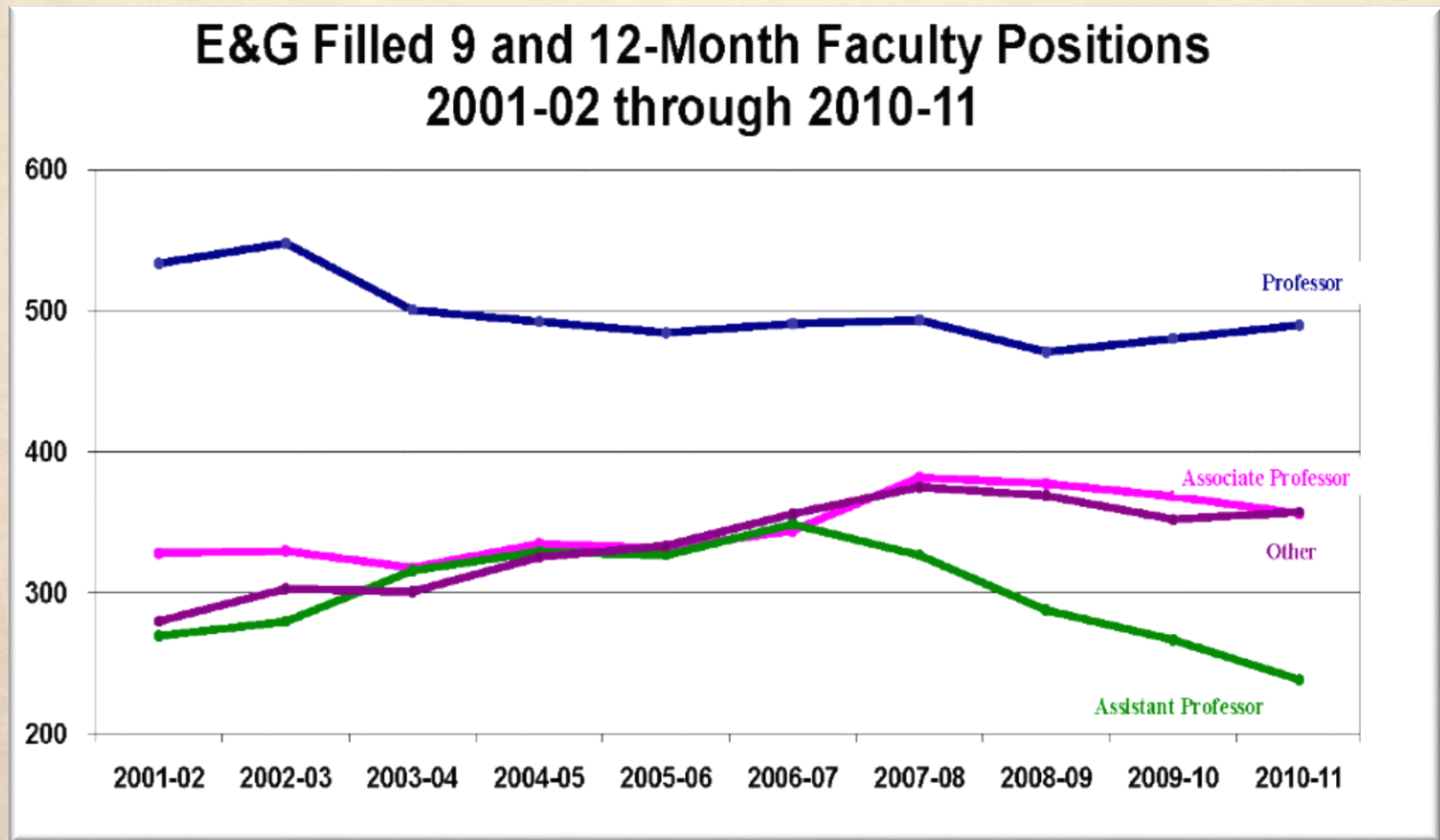
- Since 2006-07 we have 32% fewer assistant professors
- Assistant professors are the young talent that help build the quality and reputation of the university
- They are very productive researchers and are highly effective in the classroom
- Continual movement to use adjuncts and graduate assistants will ultimately threaten our Research I status

2. The Non-Competitive Faculty Salaries

- Our all-ranks faculty salaries are 17% below the Carnegie Peer group
- Keeping the most productive faculty in this state is becoming increasingly difficult
- 15% rule – if you can offer someone a 15% raise you increase chances that you can get them to move

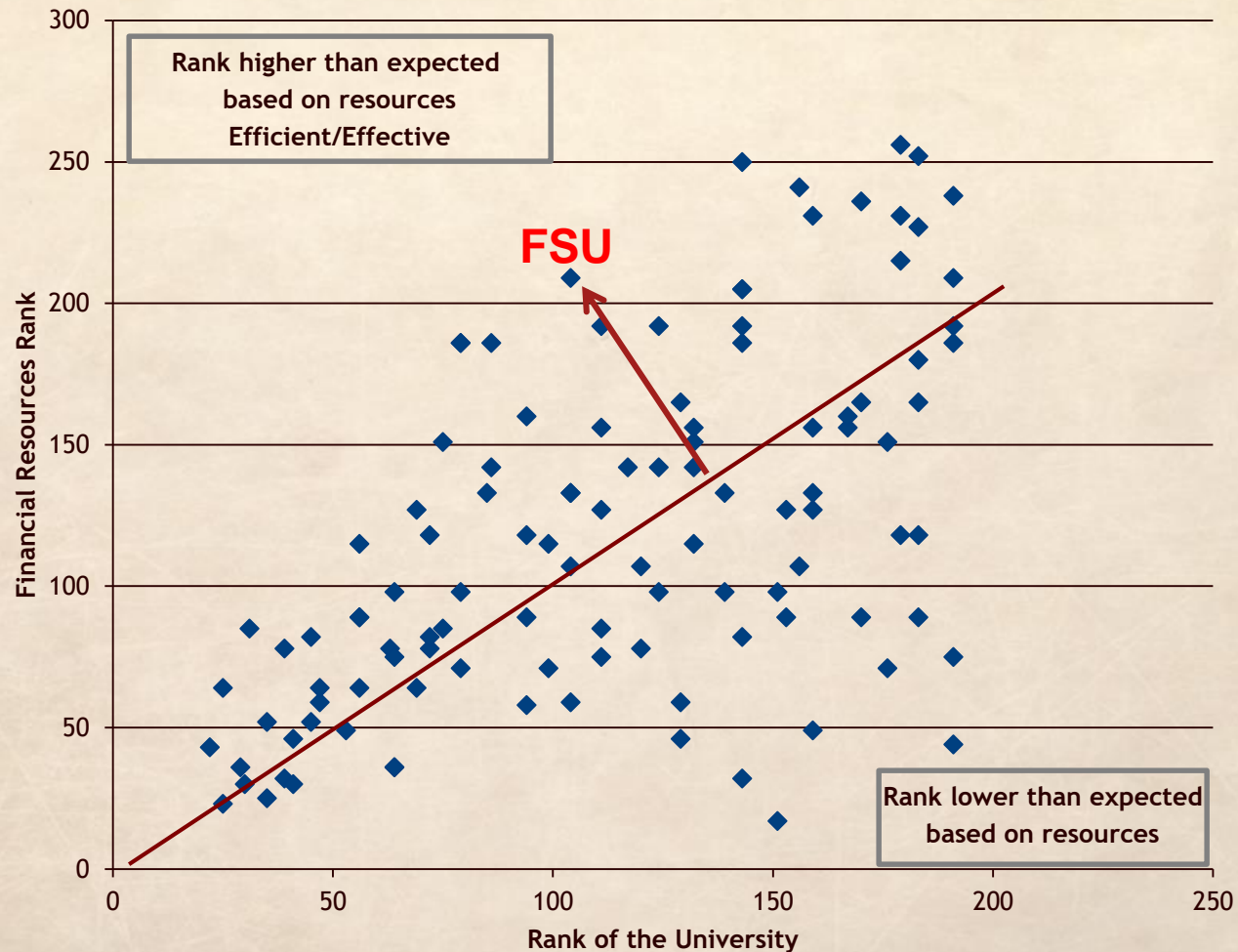


FSU FUNDING: MAJOR IMPACT



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FSU's National US News Ranking Among Public Universities Greatly Outstrips Its Financial Ranking



By all accounts, FSU is highly efficient in the use of its resources

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FSU REVENUE OPTIONS

Additional State Appropriations – Limited prospects for Additional General Revenue

On-Line Education – Limited prospects unless outsourced or the use of the Market Rate Tuition Concept is expanded

Increase Out-of-State Students – Guidelines and limited at current Out-of-State Tuition rates

Increase In-State Enrollments – Without state funds, produces funds near marginal costs and below average or direct costs while stressing facilities and altering the bases for sustaining quality

Philanthropy – Takes time to grow, especially in this economic environment, especially working with a limited infrastructure

Tuition Increase – Comports with Recent State Statutory Changes, but could have adverse implications for **accessibility**



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WHY IS TUITION THE BEST CHOICE?

- Current in-state tuition rates are low --
Tuition ranks 48th out of 50 among the states
- While our tuition has been increasing quickly, so has the tuition of our competitor institutions –
e.g. Georgia Tech up 16% and then 21% the following year
- While our tuition rate percentages may look high, the nominal amounts of increase are relatively low –
e.g. a 15% increase at FSU is equivalent to 4% at Penn State



WHY IS TUITION THE BEST CHOICE?

(continued)

- By law – we can go up 15% per year with the permission of the Board of Governors until we reach the national average
- Nationally up 8% (slightly over \$600) – FSU up 15% (under \$700)
- 15% sounds large – need to put in context to counter political pressure to hold the line against large increases
- What do our students actually pay?
How does financial aid impact accessibility?



AN ANALYSIS USING 2009-10 ACTUAL DATA

2009-10 Actual Data:

Tells the story of how much students actually pay towards tuition and fees

Several changes to 2009-10 Bright Futures and Tuition and Fees have and will continue to increase

- Even though there were significant changes to Bright Futures, the actual data indicates that there is still elasticity in how much students can afford to pay especially compared to the national average
- We will need to urge the State Legislature and Federal Government to maintain support – especially for needy students

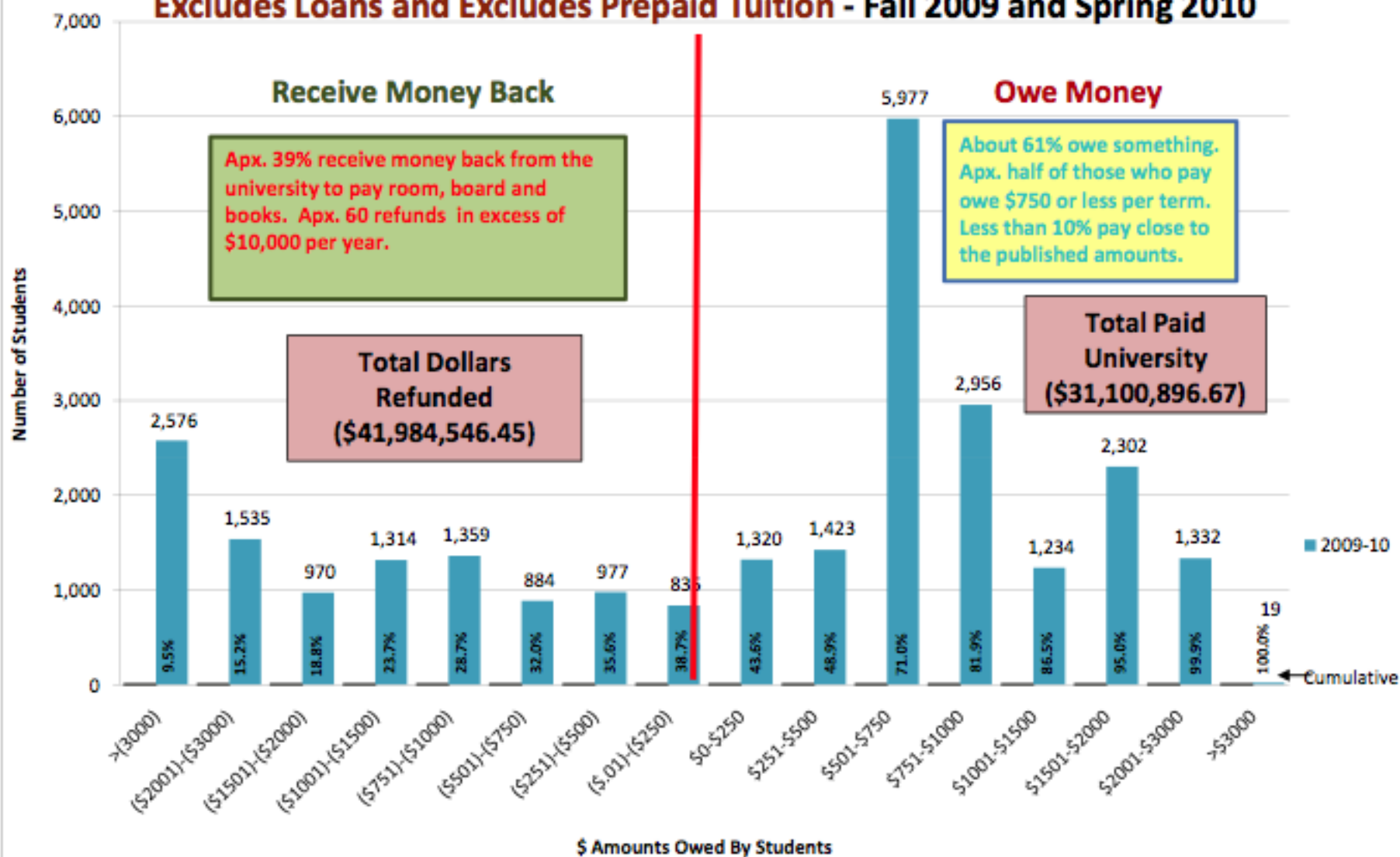


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Number of Florida Undergraduate Students (n ~ 27,000) by Category of Amount Owed:

Excludes Loans and Excludes Prepaid Tuition - Fall 2009 and Spring 2010

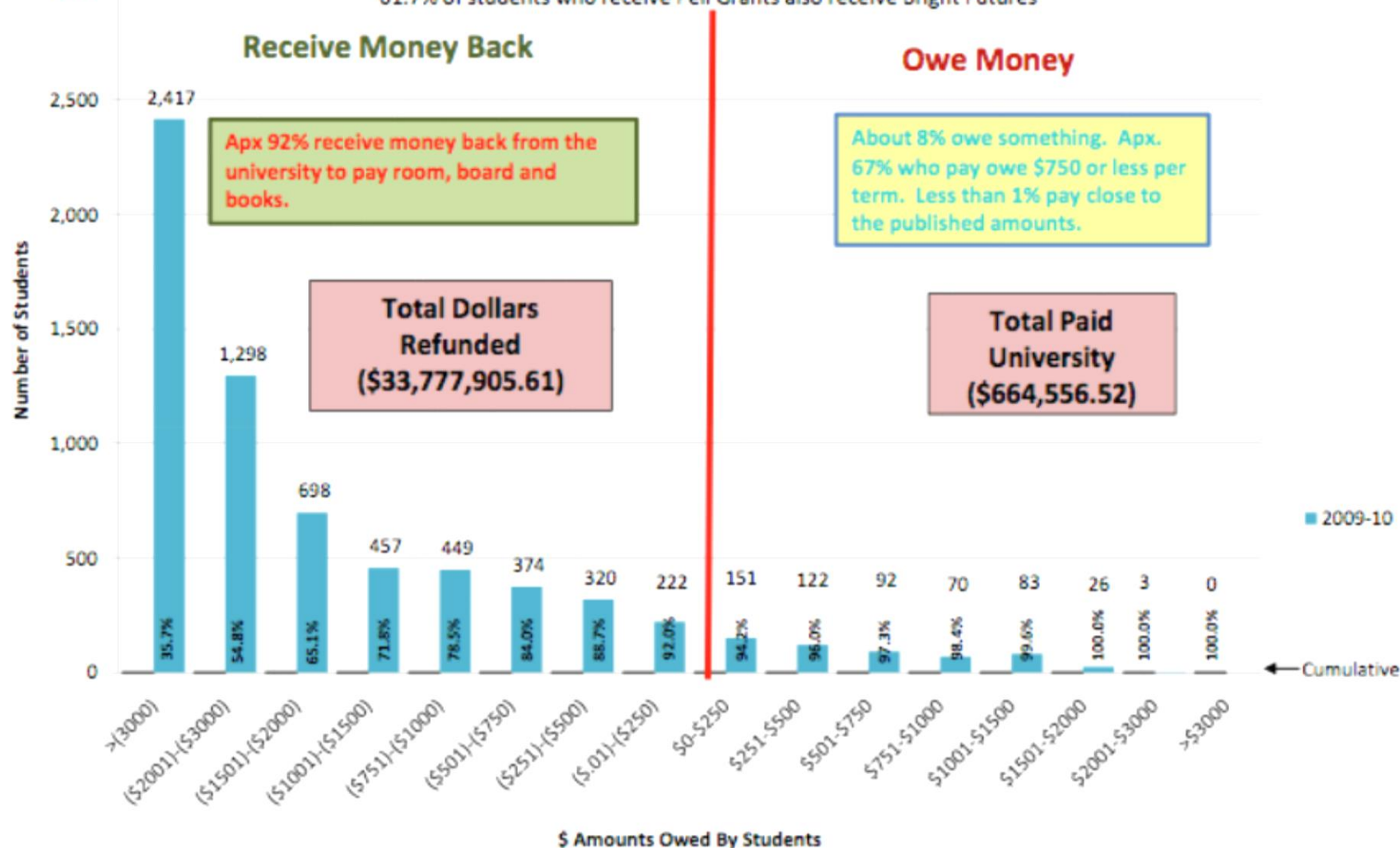




Number of Pell Recipient Florida Undergraduate Students (n ~ 6,000) by Category of Amount Owed:

Excludes Loans and Excludes Prepaid Tuition - Fall 2009 and Spring 2010

61.7% of students who receive Pell Grants also receive Bright Futures



CONCLUSION

- Florida State University is extraordinarily accessible if you are a good student – tuition cost is not a barrier
- Accessibility is founded on the availability of a diverse number of Financial Aid opportunities
- A great university attracts financial aid
 - ✓ Higher number of Bright Futures;
 - ✓ Philanthropy that raises student scholarships;
 - ✓ Good students who attract private scholarship funding
- The national picture of runaway costs in higher education doesn't apply to FSU
- The Legislature has won the battle of accessibility – now we should work hard to not to let quality slide in difficult budget times



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