

Strategic Issues:

- In 1996, Florida had the nation's largest prepaid tuition program.
- The state created the Bright Futures Scholarship Program in 1997 which provided merit-based aid to students with a GPA of 3.5 or higher.
- In 2000, nearly all of the educational agencies in the state were eliminated and a new Florida Board of Education was created in their place that administrated all facets of the educational needs of the state. This organizational reconstruction is slated to be completed in 2003.
- In 2001, the state legislature also eliminated the state board of all higher education institutions and granted the 11 public institutions their own board of regents. Prior efforts to establish this sovereignty to the public institutions in the 1990s died in the state legislature.

Summary

- *Challenge:* While college enrollment rates improved in the 1990s and surpassed the national rate in 2000, high school graduation rates fell further behind the national rates.
- *System Issue:* Florida was a low-tuition state with modest sized need-based grant programs. A doubling of non-need (merit) grant aid may have contributed to the decline in high school graduation rates during the decade, a relationship evident in the national study. Limiting grant aid to students who have high grade point averages can discourage students who are not high achieving but who could graduate qualified for college and benefit from college enrollment.
- *Opportunity:* Had Florida coordinated need-based grants with tuition, an estimated 14,000 additional high school students would have graduated in the 1990s. Improvement in coordination of need-based grants with other finance strategies could improve the K-16 pipeline in Florida.

Access Indicators*High School Graduation Rates* (Table 9.1)

Throughout the decade, high school graduation rates decreased from 65% in 1992 to 55% in 2000. This steady decrease placed the state graduation rates six percentage points below the national average in 1992 and 12 percentage points below in 2000.

College Enrollment Rates (Table 9.1)

Florida's college enrollments rate lagged behind national averages for the majority of the decade. In 2000, Florida finally met and slightly surpassed the national average by a percentage point. With the exception of 1998, the college enrollment rate increased modestly by a few percentage points. As of 2000, 58% of high school graduates enroll in postsecondary institutions.

State Demographics*State Demographics* (Table 9.3)

Poverty rates decreased throughout the entire decade and were on par with the national average in 2000. At the end of the decade, Hispanics tied African-Americans in population percentage at 15%. These percentages are higher than the national average by 13 and 4 percentage points respectively. The percentage of state residents who possess a bachelor's degree or higher increased throughout the decade. In 1992, 20 % of state residents had a four-year degree, but by 2000, this percentage increased to 23%. Like most other states, income per capita increased every year; but compared with the national average, Florida's income levels fall short of other states. In 2000, the average income per capita falls \$1,705 short of the national average.

Financial Indicators

System Composition (Table 9.3)

Florida residents seem to equally rely on four-year and two-year institutions when pursuing their postsecondary education. The use of four-year institutions is nearly seven percentage points below the national average, while the use of two-year institutions is eight percentage points above the national average. In 2000, the remaining 25 percent of students chose private institutions as the means to acquire a postsecondary degree.

Financial Capacity (Table 9.4)

State tax rates declined slightly during the entire decade from over to just under 6%. When compared to the rest of the nation, Florida residents are slightly under-taxed. In 2000, the Florida tax rate was one percentage point lower than the national average. Expenditures on K-12 education per student fluctuated throughout the decade. Expenditures dropped from \$3,458 in 1992 to \$3,366 in 1996, but rebounded to \$3,454 in 1998. However in 2000, K-12 expenditures per student dropped slightly again to \$3,391.

Educational Revenue (Table 9.5)

Appropriations on the state and local level to the public system increased throughout the decade. In 1992, the public system received \$6,140 per student in appropriations. This amount increased to \$6,696 in 1996, and in 2000, appropriations grew to \$7,539. Although the state's appropriations were below the national average in 1992 and 1994, they exceeded it in 1996, 1998, and 2000. However, when tuition and appropriations are combined, the public system is under funded. Throughout the decade, the state sum of tuition and appropriations falls approximately \$1,000 below the national average.

Tuition and Fees (Table 9.6)

Tuition and fees in Florida were significantly lower than average. Throughout the decade, state tuition and fees were approximately \$1,000 lower despite increases throughout that same time period.

Need-based grants (Table 9.6)

Need-based grants per FTE fluctuated throughout the decade. There was a slight increase from \$154 in 1992 to \$160 in 1994, but decreases in the following years. In 2000, the grant rebounded to \$147 per FTE, but remained \$200 below the national average.

Non-need grants (Table 9.6)

Florida's non-need grant program was well-funded throughout the decade and enjoyed substantial increases. In 1992, non-need based grants were \$242 per FTE, but that amount increased to \$303 in 1996 and \$524 in 2000, placing it \$411 above the national average for non-need based grants at the end of the decade

Coordinated System of Grants (Table 9.7)

Had Florida increased its need-based grant aid, given tuition charges, 1,400 more students would have graduated from high school, a percentage point increase. Of the state high school graduates, 3,800 more students would have attended postsecondary institutions within the state.

Federal Grant Program Prospectus (Table 9.7)

In addition, had the federal government provided incentives for Florida to provide adequate grant aid, equaling one-quarter of the tuition on top of current state aid, 2,200 more high school students would have graduated, a percentage point increase. Of the high school graduates, 6,100 more would have enrolled in postsecondary institutions, a five percentage point increase from the current college continuation rate.