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STATE UNIVERSITY SYSTEM FUNDING: HOW DO WE COMPARE?

By almost any measure, Florida lags its peers and the nation in the resources available to accomplish the mission of its public university system. Data definitions vary among states and among the major surveys of state finances, but the State University System fares poorly no matter how the facts are analyzed.

All postsecondary institutions that are eligible for federal financial aid report to the U.S. Department of Education through the Integrated Postsecondary Education Data System (IPEDS). These reports use federal definitions and standards and do not match perfectly with the categories used in state budgets (including Florida's). Because they are federal reports, however, they provide one of the best tools for comparing finances among states.

CORE FUNDING PER STUDENT

Data from the IPEDS finance survey for fiscal year 2005 reveal that:

- Core funding (tuition and state appropriations) per full-time-equivalent (FTE) student in Florida ranked 34th among the 48 states that used the same accounting standard.
- Florida was below the national average in core funding by 11.9% and below the top six large states by 30%.
- Florida ranks 14th in appropriations per FTE, but 46th in tuition per FTE.

These figures probably understate Florida's relative deficit because community colleges handle much of the lower-level (and less expensive) instruction that four-year institutions provide in states such as Georgia and Wisconsin. One would expect funding per FTE to be higher than average in Florida given the higher proportion of upper-level undergraduates in the system. One study by the State Higher Education

Executive Officers found that when all public two and four-year institutions are included, Florida was lowest among the 50 states in total educational revenues per FTE. (See www.sheeo.org/finance/shef-home.htm).

Tuition and state appropriations are more closely related to the instructional mission of the university than other sources of funds. Grants and contracts are typically, but not always, connected to research activity. Gifts and investment income may be dedicated to any number of specific activities. Florida does not fare particularly well in these types of funding either. The state's relative ranking drops to 38th if gifts and investment income are included and to 40th of 48 when considering all revenues.

INSTRUCTIONAL EXPENDITURES

Comparing SUS finances on the expenditure side, regardless of the source of revenue used, yields similar results.

- In instructional expenditures (direct and indirect) per FTE, Florida ranked 41st among 48 states.
- Florida was 25% below the national average and 40% below the six large states with the highest core revenues.

FACULTY/STUDENT RATIOS

One impact of the relatively low level of funding in Florida is that the state, in spite of its emphasis on upper-division and graduate instruction, has the highest ratio of students to tenured/and tenure track faculty in the country. With 30 FTE students per faculty, Florida had 21% more students per faculty than the national average and 28% more than the top-funded large states.

The table on the following page shows how Florida compares to the national average and to other large states.

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PUBLIC FOUR-YEAR UNIVERSITY REVENUE AND EXPENDITURE COMPARISON

FLORIDA COMPARED TO SELECTED STATES AND NATIONAL AVERAGE

ACADEMIC YEAR 2004-05 AND FISCAL YEAR 2005

State	Tuit + Approp Per FTE	*Tuit + Approp Rank*	Tuition per FTE	*Tuition Rank*	Approps per FTE	*Approps Rank*	FTE Per Tenured/T-Track Faculty	*Faculty / Student Ratio Rank*	Dir. + Indir. Instr. Exp Per FTE	*Instr. Exp Rank*
NJ	$20.5	*1*	$8.1	*3*	$12.5	*2*	21.4	*39*	$ 17	*1*
MD	$15.4	*6*	$7.9	*4*	$7.5	*23*	25.5	*14*	$ 14	*7*
NC	$14.8	*9*	$4.6	*33*	$10.2	*6*	21.9	*37*	$ 14	*8*
MA	$14.7	*11*	$6.7	*13*	$8.1	*16*	23.7	*25*	$ 12	*26*
OH	$14.3	*13*	$8.2	*2*	$6.0	*40*	23.7	*24*	$ 13	*12*
MI	$14.2	*14*	$7.9	*5*	$6.4	*35*	23.5	*27*	$ 13	*15*
TOP LARGE STATES	***$15.3***		***$7.3***		***$8.0***		***23.2***		***$ 14***	
WA	$14.1	*15*	$6.8	*11*	$7.3	*25*	23.9	*23*	$ 16	*3*
CA	$14.0	*16*	$4.9	*27*	$9.1	*10*	29.1	*3*	$ 14	*9*
IL	$13.0	*24*	$5.7	*21*	$7.2	*26*	23.4	*28*	$ 13	*18*
TX	$12.9	*25*	$5.0	*25*	$7.9	*18*	26.9	*7*	$ 13	*10*
MO	$12.7	*27*	$5.8	*19*	$6.9	*28*	22.5	*33*	$ 11	*30*
VA	$12.7	*28*	$6.4	*16*	$6.3	*37*	22.5	*32*	$ 11	*31*
NY	$12.4	*31*	$4.3	*35*	$8.2	*15*	25.1	*17*	$ 13	*13*
FL	***$11.7***	***34***	***$3.3***	***46***	***$8.5***	***14***	***29.7***	***1***	***$ 10***	***41***
WI	$11.5	*37*	$5.3	*23*	$6.2	*38*	24.7	*21*	$ 11	*33*
GA	$11.5	*38*	$3.6	*45*	$7.9	*19*	26.5	*10*	$ 9	*44*
US AVERAGE	**$13.1**		**$5.5**		**$7.6**		**24.6**		**$ 12**	

Notes:

1. Dollars in Thousands
2. National Standard FTE (Full-Time Equivalent) of 30 Credits for Undergraduate, 24 for Graduate
3. 48 states included (PA and DE excluded because of different accounting standards)
4. Excludes community colleges that award small numbers of bachelor degrees.