

NATIONAL CROSSTALK

Vol. 17 No. 2 December 2009

Published by The National Center for Public Policy and Higher Education

Overcrowded and Underfunded

New York's public university systems, and beleaguered students, are an extreme example of national trends

By Jon Marcus

NEW YORK

JUST UPTOWN from the epicenter of the world's economic crisis, Borough of Manhattan Community College is a symbol of how the financial cataclysm that began a few blocks away on Wall Street has battered public higher education in America.

It's crowded. Very, very crowded. Every seat is taken in every classroom you can see. Some of those seats are in the aisles. There are lines outside the computer labs. Lines snake through the food court. There are particularly long lines at the financial-aid office.

With a central campus built to handle 8,000 students, Borough of Manhattan is straining to contain some 21,700, part of a 12 percent enrollment increase at the six community colleges of the City University of New York and an eight percent jump at CUNY systemwide, including in its 11 senior colleges. Enrollment at CUNY's upstate counterpart, the 64-campus State University of New York, hit an unprecedented 439,523

this fall. At CUNY, there are more than 259,000 students, surpassing the previous record set in 1974, when it was free.

And free, it isn't. Already the seventh highest in the nation, New York's community college tuition rose again this year to help fill ever-worsening multibillion-dollar state revenue shortfalls that also have resulted from the deep recession. Tuition at the four-year SUNY schools spiked by dou-

Even as demand soars, the state allocations for CUNY and SUNY budgets have plummeted by more than \$400 million. Per-student funding has declined for four straight years.

ble digits. More price hikes are likely. This at a time when nearly two thirds of CUNY's community college students come from families earning less than \$30,000 a year. Many are so poor there's a program to help them register for food stamps. One city council member said the tuition increase would force at least one in five to drop out.

But there are plenty more waiting to take their places. Helping fuel the enrollment surge at CUNY and SUNY has been a record number of applicants from outside the state—applicants, officials say, who have given up on even more expensive private universities, and for whom a public univer-

sity education is still a comparative bargain. Good thing, too, since the public universities are taking on so many students largely because they need the money from tuition that each student brings in. Plus, although the subsidy is dropping, CUNY and SUNY still

continued on page 19



NATHANIEL BROOKS, BLACK STAR, FOR CROSSTALK

New York's tuition increases are nothing less than a tax on students, critics say. "We call it the SUNY tax," says Maria Davila, a 21-year-old senior at SUNY New Paltz.

Turning Students Away

The plight of Florida's community colleges suggests the depth of the state's financial crisis

By Robert A. Jones

MIAMI

FLORIDA'S EDUCATORS have predicted an Armageddon here almost as frequently as weathermen predict hurricanes. Each time the state whacked the higher education budget, the predictions of doom grew more dire. But no one expected disaster to strike quite so dra-

June 17, 2009 has become a legend at Miami Dade College. It was the night when burgeoning demand for education ran headlong into shrunken supply.

matically as it did on a hot summer's night here in Miami, at the state's flagship community college.

The night of June 17, 2009 already has become something of a legend at Miami Dade College, with virtually all the adminis-

trators and students able to tell their own stories of the evening's horrors. It was the night when burgeoning demand for education ran headlong into shrunken supply.

Miami Dade College does not, initially, present itself as the poster child of broken budgets. It sprawls over eight campuses and this year will attract 170,000 students, making it the largest public institution of higher education in the nation. Its campuses have art galleries, intercollegiate sports teams and literary magazines.

Miami Dade, in fact, is a place of many superlatives in the world of institutions that grant associate's degrees: It produces more two-year degrees, more minority graduates, and collects more Pell grants than any other public college in the country. Its president, Eduardo Padrón, was on the short list of candidates for appointment as President Barack Obama's secretary of education.

And so, considering the college's size and expertise, nothing initially seemed amiss when it announced it would open online registration for the fall semester at midnight on June 17. Looking back, however, various signs pointed to trouble.

In the weeks prior, college officials warned students that, for the first time in its history, the college would not have the re-

continued on page 13

IN MEMORY



William Trombley with his wife Audrey in 1999.

WILLIAM TROMBLEY

Senior Editor of the National Center for Public Policy and Higher Education and

Founding Editor of *National CrossTalk*

1929–2009



THE NATIONAL CENTER FOR
PUBLIC POLICY AND
HIGHER EDUCATION

Board of Directors

James B. Hunt Jr.
CHAIRMAN

Patrick M. Callan
PRESIDENT

Robert H. Atwell

Ramon C. Cortines

Virginia B. Edwards

James M. Furman

Matthew H. Kisber

Charles E.M. Kolb

Joanne C. Kozberg

Arturo Madrid

Robert H. McCabe

Jack Scott

Thomas J. Tierney

Deborah Wadsworth

Harold M. Williams

Virginia B. Smith

FOUNDING DIRECTOR

Higher Education Policy Institute Board

Patrick M. Callan

James M. Furman

Arturo Madrid

Joni E. Finney

Vice President

William Trombley

Senior Editor

Michael Armijo

Research Associate

Holly Earlywine

Accounting Manager

Darcie Harvey

Policy Analyst

Heather Jack

Project Director, December 2009 National CrossTalk

Lori King

Administrative Assistant

Michael Kirst

Senior Fellow

Laura Perna

Director of Policy Studies

Awilda Rodriguez

Research Associate

Jamey Rorison

Research Associate

Noreen Savelle

Executive Assistant

Todd Sallo

Editing and Production, National CrossTalk

Michael Usdan

Senior Fellow

William Zumeta

Senior Fellow

National CrossTalk is a publication of the National Center for Public Policy and Higher Education. The National Center promotes public policies that enhance opportunities for quality education and training beyond high school. The National Center is an independent, nonpartisan, nonprofit organization that receives core support from the Bill and Melinda Gates Foundation and Lumina Foundation for Education.

The primary purpose of *National CrossTalk* is to stimulate informed discussion and debate of higher education issues. The publication's articles and opinion pieces are written independently of the National Center's policy positions and those of its board members.

Subscriptions to *National CrossTalk* are free and can be obtained by writing a letter or sending a fax or e-mail to the San Jose address listed below.

Education Policy Institute
The National Center for Public Policy
and Higher Education

152 North Third Street, Suite 705, San Jose, CA 95112.
Phone: (408) 271-2699; Fax: (408) 271-2697; E-mail address:
center@highereducation.org; Website: www.highereducation.org.

EDITORIAL

Core Principles

In this recession, the highest priority should be placed on college access and affordability

THE CURRENT RECESSION is unique in its severity and impact. But the responses of most states, and colleges and universities, have thus far followed the patterns of earlier recessions. For the states, the standard recessionary repertoire is severe cuts in higher education funding, approval or acquiescence in steep tuition increases accompanied by unwillingness or inability to assert public priorities for the use of increasingly scarce public dollars.

Most colleges and universities have relied as much as possible on tuition to fill gaping budgetary holes, along with caps and reductions of enrollments, and short-term measures such as hiring freezes, furloughs, and across-the-board cuts. Examples of each of these scenarios can be found in the state profiles in this edition of *National CrossTalk*.

Prior to the onset of this recession, American higher education was underperforming and was being outperformed by other nations.

Recessions certainly create dislocations, but they also surface and exacerbate existing problems. The findings of a decade of *Measuring*

Up state and national higher education report cards, international educational comparisons, and several assessments undertaken at the behest of national foundations, converge on similar conclusions: Prior to the onset of this recession, American higher education was underperforming and was being outperformed by other nations; the U.S. was floundering in improvement of college access and rates of completion, in college affordability and in the educational attainment of young adults. In short, institutional and public policy strategies that explicitly or implicitly seek restoration of the *status quo ante*, even if successful, would only restore to a mediocre level of performance—and one that falls short of meeting the needs of American society for educational and economic opportunity, equity and economic competitiveness.

Earlier this year, in collaboration with several of the nation's leading policy experts in higher education, the National Center proposed a set of principles and recommendations to guide policymakers in this period of economic dislocation. Governors, legislatures, governing boards, and campus and system leaders are responsible for setting explicit priorities, and we recommend that in this recession the highest priority should be placed on college access and affordability.

At a time when many states look to the 2010 legislative sessions, and yet another round of budgetary pain, these recommendations take on renewed urgency, beginning with their core principles:

- Establish undergraduate access and affordability as the highest priority for state higher education policy and support.
- Protect access. All eligible students seeking to enroll in two- and four-year public institutions should be accommodated by institutions that can meet their needs.
- Preserve the educational safety net by prioritizing enrollment capacity and affordable tuition at broad access institutions serving students from low- and middle-income families.
- Expect measurable productivity increases in education, both immediate and long-term, at all institutions. Do



Patrick M. Callan

not micromanage the process, but insist on accountability for resource use and performance from governing boards and institutional leaders.

- Use one-time revenues, including federal stimulus funds, to protect access and affordability and to leverage improvements in productivity, efficiency and quality. Avoid using one-time revenues in ways that defer productivity improvements or create long-term dependencies that may exacerbate future financial problems.

The complete text of the policy statement, "The Challenge to States: Preserving College Access and Affordability in a Time of Crisis," is available on the National Center's website, www.highereducation.org.

—Patrick M. Callan

CENTER REPORTS

Visit our website, www.highereducation.org, for a new National Center report: "States, Schools, and Colleges: Policies to Improve Student Readiness for College and Strengthen Coordination Between Schools and Colleges."

The authors examine what has been tried and learned about state policy leadership in bridging the divide between K-12 schools and postsecondary education. Part I offers a national perspective, with chapters by Michael W. Kirst and Michael D. Usdan, Erin J. Walsh, and David S. Spence. Part II, by Nancy B. Shulock, describes and analyzes state P-16 and P-20 councils.

NEWS FROM THE CENTER

New Center Associates

FIFTEEN MID-CAREER PROFESSIONALS have been selected by the National Center for Public Policy and Higher Education as Program Associates for 2009-10. They include faculty members, administrators, legislative staff members and postsecondary education specialists. They will attend three formal meetings during the academic year and also will work with National Center staff members on a variety of projects.

The goal of the program, financially supported by the Bill and Melinda Gates Foundation and Lumina Foundation for Education, is to engage emerging leaders in the examination of critical higher education policy issues. ♦



Jennifer Engle
Assistant Director, Higher Education Education Trust



Warren von Eschenbach
Chief of Staff and Director, Higher Education Committee
Texas State Senator Judith Zaffirini



Brock Grubb
Program Analyst, Post Secondary Success
Bill and Melinda Gates Foundation



Anne Hickey
Associate Director, Government Relations
American Council on Education



Su Jin Jez
Assistant Professor of Public Policy and Administration
California State University, Sacramento



Cassius Johnson
Director, National and Federal Policy Jobs for the Future



Ioanna Kohler
Director of Policy Programs
French-American Foundation, NYC



Neil Matkin
President
San Jacinto College, Central Campus



Eric Ness
Assistant Professor, Institute of Higher Education
University of Georgia



Chris Rasmussen
Vice President for Research and Policy Analysis
Midwestern Higher Education Compact



Zakiya Smith
Confidential Assistant
Office of the Deputy Undersecretary



Jeff Stanley
Associate Vice President
State Higher Education Executive Officers



Monty Sullivan
Executive Vice President
Louisiana Community and Technical College System



David Tandberg
Special Assistant at Pennsylvania Department of Education
Office of Postsecondary and Higher Education



Dawn Wallace
Policy Advisor for Education for the Arizona House Majority
Arizona House of Representatives

National Center's Policy Studies Group

EFFECTIVE THIS FALL, The National Center's policy studies is housed at the University of Pennsylvania's Institute for Research on Higher Education, which is directed by Joni Finney, vice president of the National Center and professor of practice at Penn. Laura Perna, associate professor of higher education at Penn, has

been appointed the National Center's director of policy studies. Michael Armijo, Awilda Rodriguez and Jamey Rorison have been appointed research associates. In 2009 and 2010 the policy studies group will conduct intensive studies of five states to identify factors that account for higher education performance. ♦



Joni Finney
Vice President



Laura Perna
Director of Policy Studies



Michael Armijo
Research Associate



Awilda Rodriguez
Research Associate



Jamey Rorison
Research Associate

Diminishing State Support

Pennsylvania reduces state aid amid relentless tuition hikes and record enrollments

By Kay Mills

UNIVERSITY PARK, PENNSYLVANIA

THE NATIONAL RECESSION decreased state revenues around the country, but colleges and universities in Pennsylvania faced added drama this fall: The governor and legislators spent more than three months wrestling with closing a \$3.2 billion deficit, so educators had to start the school year without knowing how much the state would be contributing to their operations. Finally, on October 9, Governor

Nationally, only seven states allocated a lower percentage of their tax revenues and lottery profits to higher education than Pennsylvania's 4.3 percent.

Ed Rendell signed a \$27.8 billion budget, which includes \$2.6 billion in federal stimulus money. Even with that federal money included, the state will spend \$524 million less this year than last.

Exasperated by the negotiations at one point, Joe Forrester, president of the Community College of Beaver County, said that “this is like watching a dog on roller skates. You don’t know where it’s going, but no matter where it goes, the outcome isn’t going to be good.”

The budget outcome underscores a trend that President Graham Spanier of Penn State has been talking about for at least five years, that is, “the privatization of American public higher education.” And Angelo Armenti Jr., president of California University of Pennsylvania, said his school is being “privatized without a plan.” Pennsylvania’s community colleges are also caught in the state’s financial squeeze, with less opportunity for raising private funds. For example, Forrester, immediate past president of the Pennsylvania Commission for Community Colleges, has seen his own school’s state support diminish from 33 percent of its budget to 28 percent in the last five years.

Under the final budget, the Pennsylvania State System of Higher Education’s 14 universities, of which California University is one, are receiving almost \$465.2 million, plus slightly more than \$38.1 million in federal stimulus funds, for a total of \$503.4 million. That compares with a total of \$538.1 million last year. The state’s 14 community colleges share an appropriation of \$214.2 million, plus \$21.5 million in federal stimulus money, a reduction of 0.21 percent. Both sectors had record enrollments in fall 2009.

More than a month after the legislature enacted the budget, however, Penn State still did not know how much money it would receive, because its appropriation had not been passed. Penn State’s status as a “state-

related institution”—a designation it shares with Temple University, the University of Pittsburgh and Lincoln University—means that its funding is approved separately.

Penn State is not a state-owned university like California or any of the 13 other former teachers’ colleges that now make up the state system, and it does not come under the same gubernatorial control they do on matters of tuition or governance. It seeks state money for its mission to provide services for the Commonwealth of Pennsylvania while avoiding some of the constraints under which the state universities operate.

This quasi-independent, quasi-state position figured in Governor Rendell’s decision this year against including Penn State and the other three state-related institutions in Pennsylvania’s application for federal stimulus money, because the state could not limit tuition increases. But Penn State’s friends in Congress rose up, and the Department of Education decided that the governor had to include these schools.

Penn State would be in line to receive \$15.8 million in federal stimulus money as well as \$318 million in state funding for the current fiscal year, the same amount the university ended up with last year after two rescissions from its original \$338 million appropriation. There is also another \$16 million coming from federal stimulus funds for 2008-09. In the meantime, Penn State is covering its costs by spending \$30 million a month from reserves, said Lisa Powers, a university spokeswoman.

Nationally, only seven states allocated a lower percentage of their tax revenues and any lottery profits to higher education than Pennsylvania’s 4.3 percent, according to a report this year from the State Higher Education Executive Officers organization. The U.S. average was 6.5 percent. The report also showed that between fiscal years 2003 and 2008, Pennsylvania’s public higher education appropriation per student (full-time equivalent) fell by 10.8 percent. Per-student appropriations in only three states—Massachusetts, Michigan and Ohio—dropped more.

These figures are set against rising state support for higher education generally, at least until this year. SHEEO reported that total state support for public higher education grew from \$24.4 billion in 1983 to \$89.2 billion by 2008 (in current dollars), accompanying enrollment increases since 1983 from 7.5 million students to 10.5 million. However, the SHEEO report acknowledged that budget conditions this year “seem less favorable in many states,” and the national trend might not be sustained in the coming year.

Jane Wellman, executive director of the non-profit Delta Cost Project on Post-secondary Education Costs, Productivity and Accountability, cited studies showing that while state spending on higher education, per student, may rebound some after downturns, it does not return to the previous heights. While tuition is going up, “the trend line for state appropriations per student is

going down,” Wellman said. “Students are paying more and getting less.”

“It’s not that we have a goal of being private,” Spanier said, in reference to the trend in state spending. “It’s a reality that has evolved.” According to Spanier, when he became president of Penn State 14 years ago, Pennsylvania was providing 20 percent of the university’s total annual budget. Now it’s down to eight percent. Overall, state support almost doubled from \$162.7 million in 1984-85 to a high point of \$348.7 million in 2007-08, but the university’s budget grew five times as big between those years (from \$683.3 million in 1984-85

to \$3.4 billion in 2007-08). This year’s operating budget will be \$3.7 to \$3.8 billion.

Penn State’s fundraising has risen steadily, from just over \$31 million in 1985, and just under \$83 million in 1995, to \$182.1 million in the last fiscal year. “It used to be that fundraising was important for private universities, but now public universities are just as heavily involved,” Spanier said. “In five to six years we may be receiving more money from donors than we receive from the state.”

Seeing what was coming in terms of state financing, last fall Spanier announced that there would be no pay raises this year. “No one in administration, no one on the faculty, no one on the staff would get them,” he said. “And the labor union agreed to change its agreement. We did this in order to hold any tuition increase down to a reasonable amount and to avoid significant furloughs.” The freeze saved \$30 million.

With the budget situation remaining uncertain this summer, Penn State’s trustees enacted two potential tuition plans. One was a “worst-case scenario” that would have raised tuition by 9.8 percent for lower-division Pennsylvania residents at the University Park campus, and by 4.9 percent for those at one of the university’s regional campuses. That was based on the governor’s June proposal that would have given Penn State \$277.5 million, the same level as in 1997. The other plan, which later took effect, raised tuition by 4.5 percent for state residents at University Park, and by 3.9 percent at the other campuses. Residents this fall are paying \$13,604, up from \$13,014 in 2008.

At California University and other schools in that state system, Pennsylvania residents are paying \$5,554, a 3.7 percent increase over last year.

“It’s a really compelling argument that legislators can latch onto—that higher education is one of the few parts of state government that can raise revenue,” said Donald Heller, director of the Center for the Study of Higher Education at Penn State. Tuition at Penn State has increased so much that by 2005, it “surpassed the University of Vermont for the first time to become the most expensive public flagship university in the nation,” Heller said.



Joe Forrester, president of the Community College of Beaver County, likens state budget negotiations to “a dog on roller skates. You don’t know where it’s going, but no matter where it goes, the outcome isn’t going to be good.”

MICHAEL ROBINSON/BLACK STAR FOR CROSSTALK

As part of its efforts to save money for the past two decades, Penn State has required all departments except for the library and student aid to turn back one percent of their budgets each year, said Rodney Erickson, executive vice president and provost. “It creates a leanness to the operation.”

Penn State has also been working to reduce energy costs, equipping new buildings with sensors that turn off the lights if there is no motion in a room for a certain amount of time, replacing old dormitory windows with those that are more energy efficient, and installing better thermostats. “There are even teams of students who turn off all the lights around the campus that might have been left on on a Friday night,” Spanier said.

Between 1990 and 2006, Pennsylvania drastically shifted its priorities away from public higher education, said Angelo Armenti, who has been California University’s president for 17 years, thus reducing the share of the state budget devoted to public higher education from seven percent to

Between 1990 and 2006, Pennsylvania reduced the share of the state budget devoted to public higher education from seven percent to four percent.

four percent. The state corrections system now receives the same share of the state budget as public higher education.

If there is any state plan for dealing with this reduction in state money, Armenti said, he has seen no sign of it. He concluded that if his school were going to be privatized, “we had better be ready to compete as a private university.” State support for California University has dropped from 63 percent of its budget to 37 percent over the last 25 years.

The college-age population normally attracted to a nearby school in southwestern Pennsylvania was shrinking, so Armenti said the school had to attract students from far-

ther away, and therefore needed to beautify its campus. California also set up a public-private partnership to raise \$125 million to build new suite-style residence halls to house those students, adding almost 2,300 beds.

Cutting energy costs was another issue. “No one was thinking green then, except for money,” Armenti said. In addition to using better controls to heat buildings classroom by classroom, California put in geothermal piping to heat its new dormitories. The system for the first three cost \$1 million, but it paid for itself in two and a half years. The same payback occurred for the next three dormitories, so the university is now saving \$800,000 a year in electricity costs.

California boosted its enrollment by 45 percent in the last ten years to 8,519 students (7,478 full-time equivalent) last academic year. Overall, the 14 schools in the state system grew by 18.5 percent in that period, and this fall the system set its eighth straight enrollment record, 116,935 students.

A big reason behind California University’s enrollment increase, Armenti said, is that it got into online learning early. “The economics of Internet education are that when the world is in your catchment area, you can easily fill all of your classes,” he added. Twenty-two percent of California’s student registrations are online.

“We are obviously not going to compete with the giants in the field,” Armenti added, but the school offers niche programs, those with promise in terms of demand and with little competition from other schools. These include sports management, legal studies and exercise science. Global Online also offers certification programs for principals as well as a master of science in nursing administration.

“The investment you have to make in this area is considerable,” Armenti said. That includes \$1 million for high quality service programs on financial aid and customer relations. “You still have to assuage the doubts of the public about this new kind of education,” he added.

“In no way are these correspondence courses,” said John R. Cencich, interim dean of California University’s School of Graduate Studies and Research. “We have video and audio in them, animations, and quality control.” Faculty members are taught how to set up the courses and obtain fast technical help. Cencich said the staff makes sure

the courses are user-friendly; content is peer reviewed.

California is also working in emerging fields such as robotics. In cooperation with Carnegie Mellon University in Pittsburgh, California has a \$3.4 million grant from the Defense Department to develop public school curricula to help hook students on science through robotics. California also launched its own robotics curriculum this fall, leading toward an associate’s degree in robotics engineering technology, and then a bachelor’s degree in mechatronics (a combination of mechanical and electronic engineering) technology.

These are not Star Wars or Terminator robots, explained Anthony F. Rodi, director of California University’s National Center for Robotics Engineering Technology Education. “Robotics is used in many ways, such as embedded robotics when you start your car, or medical robotics,” he said. “A surgeon in the United States can operate on a patient in India.” Robotics can also be used to “keep people away from the dull, dangerous, dirty work and repetitive movement that leads to injury.”

Michael F. Amrhein, the center’s assistant director, added that these courses teach a different way of thinking about how tasks are done. The classes teach skill sets, such as presentation and project management, that can be used in different industries.

Like the state universities, community colleges are also seeing enrollment increases this fall, a common occurrence when the economy turns sour. The Community College of Beaver County, for example, had a ten percent credit-hour enrollment increase during the summer session, a trend that continued this fall, giving the school its highest fall enrollment ever.

Community colleges have no direct taxing power, so they depend on county government or local school districts for part of their support. And Joe Forrester, the college president, complimented Beaver County commissioners for twice increasing taxes to help support the college, “both times in election years.” Under the act establishing the colleges, they are supposed to receive one-third of their support from the state, one-third from local government, and one-third from tuition.

“In theory, that’s great, but it’s never the reality,” Forrester said. “Fifty percent of our revenue comes from students.” On top of tuition of \$89.50 per credit hour, his students pay a general student fee of \$11 per credit hour, and a technology fee of \$11 per credit hour.

Trying to hold costs down, Forrester said that his school did the standard things like cutting the amount of paper used. “But we also took a hard look at the class schedule” and pledged to reduce it by seven percent.

“We ended up canceling 53 sections,” said Judy Garbinski, provost and vice president for learning and student success. Those cuts affected all departments, with the exception of allied health professions. In making the cuts, Garbinski said, there was an attempt to remain mindful that 80 percent of the college’s 2,400 (full-time equivalent) students work, and that it was necessary to consider the times they could be on campus.

Student aid was affected as well because the Pennsylvania Higher Education Assistance Agency (PHEAA) provided no grants during the budget impasse. Students often

use that money for transportation or housing, and they did not get the money they had been counting on at the beginning of the fall semester, Garbinski said. Penn State credited students with the amount they would have received had the budget passed, costing the school \$25 million.

About ten to 12 percent of the Beaver County college’s students are defined as academically “at risk,” and they need extra services, said Jan Kaminski, dean of academic support services. Many take developmental math and English courses and require tutoring and counseling. “We track them down and entice them with these special programs, but when you get them, you have to give them that added push,” Kaminski said. “Just because that door is open doesn’t mean it stays open. It won’t stay open without those support services.”

The state also provides aid to some of its private colleges and universities, some of which existed before any public universities opened, said Don Francis, president of the Association of Independent Colleges and Universities of Pennsylvania. These private universities award 50 percent of the degrees in the state, Francis said. “There is a very robust state grant program” for students at these institutions, he said, because the state considers it healthy to support them. It can contribute less to the overall education at private institutions “because we have more private dollars.”

In addition to PHEAA grants for students at private colleges such as Penn, the state provides some support for medical and veterinary education and other specialized programs, as well as institutional assistance

“It used to be that fundraising was important for private universities, but now public universities are just as heavily involved.”

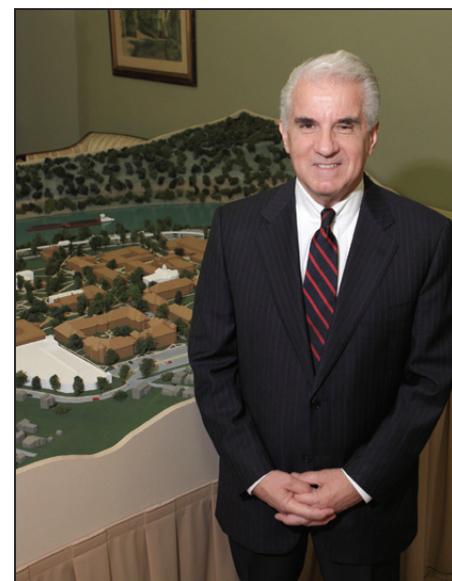
**— GRAHAM SPANIER,
PRESIDENT OF PENN STATE**

grants to reward institutions for enrolling low- and moderate-income students.

Public institutions are not necessarily happy about that state support. “This is a state where everybody gets a slice of the pie,” said Joe Forrester. “But this produces inequities, because community colleges enroll 22 percent of all the undergraduates in the state but receive only four percent of PHEAA money.”

Penn State’s Spanier said that “private education has always been key” in the northeast, pointing out that many American universities began as private, church-related institutions. They were, by and large, the only universities until the Morrill Act of 1862 created land-grant colleges such as Penn State, with the original aim of teaching agriculture and engineering.

“People in the state and in the legislature still have in their heads that there’s something special” about these private institutions, Spanier said. In those states where those schools got started—Massachusetts, New Jersey, Pennsylvania—there is the low-



Angelo Armenti Jr., president of California University of Pennsylvania, says his school is being “privatized without a plan.”

est level in state support, he added, whereas people in the west and the Great Plains saw education as the key and developed public higher education systems. “I always tell people it’s been every governor, every legislature, that’s done this. That’s just the history here. There’s no one person who stuck it to us.”

Spanier is concerned that the diminishing state support has affected Penn State’s ability to serve the commonwealth. “We are the university that the state has relied on most heavily to provide a broad range of services to the state. The things we do for agriculture, forestry, public safety, economic development—in some other states, the state does it directly. But the state has backed off on supporting these activities. We’re at a juncture where we’re saying we can’t ask our undergraduate students, through their tuition, to pay for these services.”

Penn State’s Rodney Erickson is concerned about what the drop in state aid and relentless tuition hikes mean for the makeup of the student body. All over the country, “there’s a retreat from public higher education,” he said. “We have educated large numbers of students who have gone on to successful careers, and now we know the gap between earnings of college graduates and high school graduates is huge. But many of the public view higher education as a private investment,” and therefore are willing to put more of the burden on students and their families.

“What will happen eventually as tuition has to rise?” Erickson asked. “Students at flagship public institutions all over the country are going to be coming from families of high-income status, making it difficult to attract a diverse student body. We won’t be able to serve as an engine of social change as institutions like Penn State, Michigan State and Illinois have done for decades,” he said.

“That aspect really concerns me a lot,” Erickson added. “There is so much that we could be doing for the commonwealth,” Erickson said. “We want students to have an experience in an institution that’s like the world they’ll live in.” It is an experience he fears they will no longer be having. ♦

Kay Mills is the author of “This Little Light of Mine: The Life of Fannie Lou Hamer” and four other books.



“It’s not that we have a goal of being private,” says Graham Spanier, president of Penn State. “It’s a reality that has evolved.”

Behind the Eight Ball

Illinois resorts to budgetary sleight-of-hand and one-time fixes to maintain higher education funding

By Susan C. Thomson

URBANA-CHAMPAIGN, ILLINOIS

THE ILLINOIS GENERAL Assembly ran overtime in 2009, as usual, against an unusual political and economic background. The regular session began in January with the impeachment and removal from office of Governor Rod Blagojevich, arrested on federal charges that he tried to sell President Barack Obama's vacant U.S. Senate seat. With that task completed, legislators got down to wrangling

As state expenses have outrun revenue year after year, Illinois' system of higher education has become an increasingly discretionary state budget item.

over the state's yawning budget deficit, variously estimated at \$9 billion to \$13 billion and dwarfed only by the fiscal shortfalls in California and New York.

When the legislative dust cleared in July after a special session, however, Illinois public higher education appeared none the worse off for the state's sorry finances and the bleakest U.S. economy in decades. For operations in the fiscal year that began July 1, the state's 12 public universities were allotted the same \$1.4 billion as in 2008, and its 48 community colleges were budgeted for a 0.7 percent boost—to a total of \$358.2 million.

Yet it would take more than a one-year breather from a streak of annual state cuts

to allay college and university leaders' lingering sense of falling ever farther behind the financial eight ball. Moreover, they found more to fear than cheer in a sleight-of-hand budget that relied on one-time fixes and threatened to push the state—and, along with it, its public universities and community colleges—into an even deeper fiscal hole next year.

W. Randall Kangas, assistant vice president for planning and budgeting at the University of Illinois, saw no immediate relief in sight from his school's "huge financial pressures." He summed them up: rising utility costs, escalating salary demands of top faculty and, symbolized by his water-stained office ceiling, "hundreds of millions" in deferred campus maintenance.

At Northeastern Illinois University in Chicago (which is, by virtue of an enrollment that is more than a quarter Latino, the state's only federally designated Hispanic-Serving Institution), President Sharon K. Hahs said she was briefly relieved that the state kept university funding at the same level as last year. But, she added, "Level funding is never a good deal if you want to move forward and do things." So much, then, for the university's plans to catch up on technology and deferred maintenance, build its core of tenure-track faculty, and possibly erect its first residence hall.

What's more, as Hahs and other higher education leaders were quick to note, the funding was not as level as it first seemed. For one thing, the legislature failed to provide any money for state veterans' grants. The program offers free tuition and fees for four undergraduate or graduate years at any Illinois public university or community college to any Illinois veteran choosing that state benefit over those of the new federal GI Bill. Even without state money for it, the entitlement remained, creating an unfunded mandate for the colleges and universities to

pay from their own coffers.

Northeastern has prepared to spend up to \$900,000 to make good on the grants; the University of Illinois will provide as much as \$10 million for its three campuses, depending on demand, which can not be predicted. "We don't know exactly how this will pan out," said Kangas.

Nothing, however, created more financial uncertainty and more alarm for more Illinois colleges and universities—and, more importantly, for tens of thousands of Illinois college students as well—than the legislature's decision to slash \$220 million from the year's budget for the Illinois Student Assistance Commission (ISAC).

Though \$220 million is a drop in the state's budget bucket, it represented a 50 percent cut to ISAC—most of it money that would have gone to the commission's signature Monetary Award Program (MAP) grants for the state's lowest-income college students.

Every year ISAC gives out about 90 percent of its state appropriation in these grants, made on a sliding scale that considers a student's financial need and tuition cost. The awards are available to Illinois resident undergraduates for tuition and fees at any Illinois college or university—two- or four-year, public or private. In 2008, for instance, the money went to students at about 150 schools—including all 12 of Illinois' public universities, all 48 of its community colleges, almost all of its 96 private colleges and universities, and a handful of proprietary schools.

For students depending on the grants, the timing of ISAC's budget cut was doubly devastating. First, it came in a brutal recession year that swamped the agency with a record number of aid applications, prompting it to suspend approvals in mid-May, ten weeks earlier than previously. Second, the ax fell after ISAC had notified successful applicants of their MAP awards for academic year 2009-10, all based on the assumption that state funding would continue as usual.

Reduced to half rations, ISAC cut this year's grantees' awards in half by canceling their second-semester payments—the only action that was possible at the time, according to Andrew Davis, the commission's executive director. This action meant that, come January 2010, for the first time in the commission's 32-year history, their cupboard would be bare. And about 138,000 approved recipients would have to make up for the cash they had been banking on to see them through the year.

Miguel Loeza, a junior and the vice president of student government at Northeastern, said he and many other recipients there panicked when they got the MAP



Sharon K. Hahs, president of Northeastern Illinois University in Chicago, was relieved that the state kept university funding at the same level as last year.

news. "The first thing that came to my mind was not going to school in the spring," he said. True, he could apply for a loan, but that would be a "last recourse" for him, he said.

Having once declared bankruptcy, Elena Herrera feared she wouldn't qualify for loans. She hoped to stretch her fall MAP money through the spring, when she expects to graduate with an associate's degree in health sciences at Moraine Valley Community College in Palos Hills.

For 12 years, she had been working toward that degree, fitting classes around full-time jobs such as packing and shipping appliance parts in a warehouse and, at home, looking after her ailing parents who are now in their 80s. Without her grant, the future she'd planned—a bachelor's degree from

Nothing created more financial uncertainty than the legislature's decision to slash \$220 million from the year's budget for the Illinois Student Assistance Commission.

the University of Illinois at Chicago, a career as a surgical nurse, a chance to "make a difference in the lives of others"—suddenly seemed "very uncertain."

Danielle Sterczek, a freshman at the University of Illinois at Urbana-Champaign, had qualified for the maximum annual MAP grant of \$4,968 and hadn't planned to work during her first college year. "But now I'm going to have to," she lamented.

Officials were quick to tally the potential costs to the universities and colleges in lost students and tuition revenue.

John Peters, president of Northern Illinois University and "convener" of an in-



W. Randall Kangas, assistant vice president for planning and budgeting at the University of Illinois, sees no immediate relief in sight from his school's "huge financial pressures."

formal group of his public-university peers, envisioned MAP students statewide registering but not being able to pay their bills, applying for loans but being denied, and about a third of them dropping out never to return.

But with most of their budgets already skin-tight, there was little, if anything, his or most other schools could do to cushion the blow for students and save their own enrollments from the consequences.

Kangas calculated that on University of Illinois' three campuses together—Urbana-Champaign, Chicago and Springfield—spring semester MAP grants would have added up to somewhere between \$25 million and \$30 million, money that students would not be getting, money the university could not easily afford to make up to them.

With 73,000 students on those three campuses, the University of Illinois is by far the state's largest university. As such, it had not just more money but more students at risk of losing MAP aid (roughly 13,000 of its total of 50,000 undergraduates).

The threat also hit home hard at DePaul University, with 25,000 students on two main campuses and four small satellites in the Chicago area. The state's largest private university or college, DePaul had more MAP grants and dollars at stake than any other, with one-third of its 14,000 undergraduates in line for second-semester awards totaling an estimated \$10 million.

Those numbers are a function not just of the university's size but also of what Rev. Dennis Holtschneider, president, proudly says is its high proportion of low-income, first-generation and underrepresented-minority students, the kinds his Vincentian order had most in mind when founding DePaul in 1898.

"We have always had our focus on people at the edge of society who need our help to move forward," Holtschneider said, adding that MAP grants are critical to the university's ability to continue its mission of keeping college affordable and accessible for the neediest students.

ISAC left the task of notifying MAP awardees about their endangered grants to the colleges and universities, many of which waited to do so until the state's budget deal was sealed in July, and all hope for reprieve seemed lost.

This timing of the notices meant that, as

first semester got under way, the MAP news had not begun to register, let alone sink in, with most of the potentially affected students. Nonetheless, financial aid offices around the state were swamped with students pleading other, more immediate financial needs. Susan Swisher, director of student financial services at Chicago's Saint Xavier University, and president of the Illinois Association of Student Financial Aid Administrators, said her group's members were reporting up to double the usual number of students at their doors. "We're dealing with so many families where parents have lost their jobs," she said.

Declining to let the MAP matter rest, higher education leaders were focusing by mid-September on the General Assembly's autumn veto session, scheduled for two three-day periods in October. Here, they

As hundreds of students rallied near the capitol, the legislature voted to give Governor Quinn the authority to spend the \$205 million needed to restore the current year's Monetary Award Program grants.

hoped, was a last chance to pressure the legislature into restoring the second-semester grant money. In preparation, they began meeting with politicians and speaking out publicly. Peters said the MAP cut made him "angrier and more alarmed" than anything in his ten years as president of Northern Illinois.

An organized offensive began, with ISAC spreading the word, especially among students, who responded by holding rallies, distributing flyers, circulating petitions, and writing letters to legislators and newspaper editors decrying the cut.

In an online website and a series of special hearings around the state, ISAC col-

lected testimony from hard-pressed MAP recipients. Financially struggling single parents, children of single or unemployed parents, students maxed out on loans, students already working more than one job in order to afford college, students who said their grants were all that stood between them and having to quit school were among the hundreds weighing in.

The campaign enlisted a key ally in Governor Pat Quinn, the former lieutenant governor who automatically succeeded the disgraced Blagojevich. Quinn held pro-MAP town halls at several campuses. No opposition surfaced.

Amidst a blizzard of

news headlines and favorable editorials, the MAP quest reached its pitch in Springfield on October 15, the veto session's second day. As hundreds of students rallied near the capitol, the House and the Senate overwhelmingly voted Quinn the authority to spend the \$205 million needed to make the current year's grants whole. The senator who cast the single negative vote complained to the *Chicago Tribune* that Quinn could have avoided the uproar altogether by tapping funds at his disposal all along. Senator Ed Maloney, chairman of the Senate Higher Education Committee, agreed that Quinn could have gone ahead "without all that fanfare," but that "for some reason he wanted approval from the General Assembly."

On October 18, the governor signed the MAP measure into law, saying he would borrow the millions from surpluses in other state accounts. In the run-up to the veto session, legislators had sparred over how best to offset the additional MAP cost, Democrats favoring a dollar-a-pack cigarette tax, Republicans proposing a special income and sales tax amnesty. The session ended without the subject of a funding source ever coming up.

"This was a band-aid, there's no question about it," Maloney commented. "Now we have to find a sustainable source of income for funding MAP." Without one, Holtschneider saw the program as remaining in a "precarious place," vulnerable to possible efforts to restrict it by tightening eligibility requirements.

Davis, on the other hand, sensed that the fuss had left lawmakers "strongly inclined" to support MAP in the future. "The General Assembly, right to left, top to bottom, Republican and Democrat, Senate and House, each and every one of them support this program, and it's been very clear that the voters do too," he said.

The fall's down-to-the-wire exercise was a first for what surveys of the annual National Association of State Student Grant and Aid Programs have consistently shown to be one of the nation's largest state-funded, need-based college grant programs. Even since 2002, when the General Assembly began trimming outlays to community colleges and state universities, it pretty much held the line on ISAC, enabling the agency to make as many as 150,000 MAP grants a year but not to increase the amount.

The maximum MAP grant was \$4,968 that year—as always, about enough to cover tuition at the University of Illinois. It has stayed there ever since, while rising college costs and a floundering economy have combined to create a tide of more and more students needing more and more money, evidenced by the after-deadline but eligible MAP applications ISAC gets but can't afford to fund. In 2009, the agency was on track to collect about 130,000 of these, twice as many as in any previous year.

Due to the year's unusually early cutoff, these unfunded applicants are expected to include a more than usually disproportionate number of community college students,



Ed Maloney, chairman of the Illinois State Senate's higher education committee, says that authorizing the governor to spend \$205 million to sustain the Monetary Award Program grants "was a band-aid, there's no question about it."

a group that tends to lose out on MAP grants anyway, because they enroll later than other students. To remedy what Davis terms "one of the strategic weaknesses" of the program, ISAC is considering changing application deadlines for community college students and issuing revenue bonds to raise grant money just for them.

The bonds would be paid back out of taxes the state would collect on the recipients' future, presumably rising, incomes. "The hypothesis is, there's a positive rate of return on education," Davis said. Assuming the General Assembly's approval, the plan could go into effect in 2010, and it could later be expanded beyond community college students, he said.

The MAP flap was both a symptom of, and momentary diversion from, the larger, longer-running fiscal woes plaguing Illinois and, by extension, its public higher education system. As state expenses have outrun revenue year after year, that system has become an increasingly discretionary state budget item, resulting in a 17.2 percent drop in state support since 2002, according to the Illinois Board of Higher Education.

Students have borne the brunt in tuition levels that have been growing at rates exceeding inflation, even by double-digit percentages in some cases. Inflation-free times proved no antidote to tuition increases, as only six community colleges stood pat on tuition and fees together for this year, but the other 42 raised them, from 2.3 to 12.2 percent. In tuition alone, the public universities imposed increases of between 2.6 percent and 11.4 percent for full-time, state-resident undergraduates.

Under the state's novel "Truth in Tuition" law, in effect since 2004, the universities' new rates apply each year only to entering students, and are locked in for them for their next four years. Except for those who have overstayed certain time limits,

continued on page 10



The Illinois Student Assistance Commission cut this year's grantees' awards in half. Andrew Davis, the commission's executive director, says it was the only action that was possible at the time.

Tuition Policy Debate

Washington's public higher education costs continue to shift from the state to the student

By Kathy Witkowsky

OLYMPIA, WASHINGTON

WASHINGTON STATE Senator Derek Kilmer's daughter is only three, but already he's taught the pre-schooler some harsh realities about higher education.

"Why does daddy go to work?" he'll ask. Her response: "To pay for college." The 35-year-old Kilmer, a Princeton graduate who chairs the Senate Higher Education and Workforce Development Committee, is

Following the latest round of cuts, tuition revenues now exceed state appropriations at four of Washington's six public baccalaureate institutions.

fond of reminding people that he's quite possibly the only member of the legislature who is still paying off his student loans.

"And how are you going to pay for college?" Kilmer will follow up. "With scholarships," his daughter Sophie will answer, as she's been coached.

The exchange makes for a great "party trick," as Kilmer calls it, and nearly always gets a laugh. But it underscores the deep concerns of the Democrat from Gig Harbor, who readily acknowledges that the state of higher education in Washington is no laughing matter. The state's six public baccalaureate institutions lost up to a quarter of their state funding this biennium, and are likely to suffer more cuts before it is over. To mitigate the impacts, the institutions are raising tuition by 28 percent over the next two

years. Given a bleak economic forecast for the remaining part of this biennium as well as the next, higher education is not likely to give Kilmer—or anyone else who cares about it—much reason to smile any time soon.

"Whenever there's a budget downturn, higher education gets thrown under a bus," said Kilmer. "That is not a sustainable model for the institutions or the students. Or for the state's economic future." As vice president of the economic development board for Tacoma-Pierce County, Kilmer regularly hears from employers who are struggling to find the skilled workforce they need.

The state's community and technical colleges boast one of the highest participation rates in the nation, and although its total per-student funding at public baccalaureate institutions is well below the national average, its six-year graduation rate for first-time freshmen enrolled at those institutions—more than 66 percent—is the nation's third highest. Washington's overall graduation rate of 63 percent also compares favorably with other states. But, partly due to limited capacity and selectivity at the upper-division levels, Washington's overall college participation rate is substantially below the national average: Only 29 percent of 18-to-24-year-olds are enrolled in college. (The national average is 34 percent.)

A 2008 master plan approved by the legislature called for improving overall degree production by 40 percent within a decade, including increasing the number of undergraduate and graduate degrees awarded annually by 33,600. Since the economy has tanked, that timeline has been extended to 2030, and the number has been modified downward to 20,700 (11,400 more bachelor's degrees and 9,300 more graduate degrees). But there is no additional money available to help the institutions achieve those ambitious goals.

Following the latest round of cuts, tuition revenues now exceed state appropriations at four of Washington's six public baccalaureate institutions.

University of Washington President Mark Emmert called it a crossing of the Rubicon. Terry Teale, executive director of the Council of Presidents, agreed. "We have really seen a radical shift in the way that we are funded. That worries us in terms of what public means anymore," Teale said.

The trend has intensified both the discussion about the appropriate role of the state in supporting higher education and the ongoing debate over tuition policy. It also has administrators and higher education advocates trying to figure out better ways to plead their case to lawmakers, who will have to make more cuts when they meet again in January.

Democratic Governor Chris Gregoire has long been a staunch supporter of higher education, and worked diligently to protect it during the last legislative session. The governor will continue to do so, said Leslie Goldstein, executive policy advisor to the governor, because she understands that



Washington State Senator Derek Kilmer says he is probably the only member of the legislature who is still paying off his student loans. His three-year-old daughter, Sophie, says she will pay for college "with scholarships."

higher education is key to economic recovery. "The governor is completely, passionately committed to higher education," Goldstein said. "We are in crisis management right now. When we get through the crisis, we will go back to improving both access and quality in higher education."

Yet the state is hamstrung by its tax structure and spending obligations. Because it has no income tax, Washington relies heavily on revenues from sales tax and from a business and occupation tax, both of which drop when consumer spending decreases, as it has during this economic downturn.

Meanwhile, at least half of the state's revenues are obligated to K-12 education and other expenses. That leaves higher education as the largest single area of the discretionary budget, and historically it has been the first place lawmakers turn for cuts when times are tough, said Ann Daley, executive director of the Washington Higher Education Coordinating Board.

"Higher education in general is the easiest place to cut," Daley said. And higher education is at a disadvantage, because lawmakers know it can generate some of its own revenues through tuition. "Over time, that's resulted in higher ed getting less and less of the state pie," said Daley, a longtime veteran of state politics, who held her same position at the Higher Education Coordinating Board from 1989 to 1993.

In spring 2009, the trend accelerated. Faced with a projected \$9 billion shortfall for the 2009-11 biennium, the legislature cut \$550 million in appropriations—about 17 percent—for all of higher education, including the community and technical colleges. Factoring in increases for state financial aid programs, the reduction comes out to 14 percent—still one of the largest percentage reductions in any sector of the state's budget. (By comparison, K-12 was cut by ten percent; health and human services by about 11 percent.)

Higher education administrators said they sympathize with both the governor, whom they see as an ally, and the legislature. "I don't think anyone is holding anything against the legislature, that's for sure," said Jane Sherman, vice provost for aca-

democratic policy and evaluation at Washington State University. Sherman lives and works in the state capital of Olympia, where she often deals with lawmakers. "You could practically see some of these people nearly in tears about what they were doing to higher ed," she said.

Still, the frustration within higher education circles is palpable. "Universities can't just be turned off like a faucet, and then turned back on when times are a little better," Western Washington University President Bruce Shepard told the Senate Higher Education and Workforce Development Committee in October. "Productive capacity is built over decades, and if we let it go it will take decades to build it back."

In an attempt to soften the blow, lawmakers approved a measure allowing the public baccalaureate institutions to increase resident undergraduate tuition by up to 14 percent annually for this biennium. All of them have done so, bringing tuition to

"Whenever there's a budget downturn, higher education gets thrown under a bus."

—WASHINGTON STATE SENATOR DEREK KILMER

\$7,100 this year at WSU and UW, and \$4,900 at the state's other four-year public institutions (not including activity or technology fees, which are an additional \$450 to \$600). Prior to this year, annual tuition increases had been limited to a maximum of seven percent; that constraint remains in place for community and technical colleges.

But the tuition increases have not kept students away. Preliminary, unofficial data showed enrollment is up at each of the state's six baccalaureate institutions—even at UW, which reduced the size of its freshman class by 300 students, or six percent—and total enrollment at all of them is up 3.2 percent over last year, to a record 105,000 (full-time equivalent). Administrators say that is in part due to increased retention,

DOUG WILSON, BLACK STAR, FOR CROSSTALK



"Higher education in general is the easiest place to cut," says Ann Daley, executive director of the Washington Higher Education Coordinating Board.

which they chalk up to the poor economy.

Yet even after factoring in \$1.86 billion in tuition revenues (\$230 million more than would have been generated at last year's rates), as well as \$81 million in federal stimulus money, the institutions are having to do more with less: This year's operating budgets are an average of six to seven percent below last year's budgeted level.

To deal with budgetary constraints, the four-year institutions are eliminating nearly 1,550 positions—about 11 percent of their fiscal year 2008 workforce. Seven hundred forty-three of those were filled positions, and more than 775 vacant positions have gone unfilled—the vast majority of them at UW and WSU, the state's two largest institutions.

In keeping with a directive from the legislature to protect instruction and student services, about two-thirds of the positions that were eliminated are in non-instructional activities. But even those affect the ability of the institutions to achieve their missions, said Joan King, WSU's executive director of planning and budget. "I think we have some folks in government who think you can cut administration and not have an impact on anything else," King said. "That's not the case. It is all connected."

Faculty and teaching and research assistants make up the other third of positions that were eliminated. That means fewer classes—the institutions have done away with hundreds of courses—and larger class sizes.

All of the institutions had begun bracing for this biennium before it began, through hiring freezes and other spending reductions. Yet administrators say that the suddenness and severity of the economic crisis has forced their institutions to make cuts that are not necessarily in their best long-term interests. For instance, at Central Washington University in Ellensburg, faculty have bargained contracts, and tenure-track faculty have to be notified in November if they are to be dismissed the following year. But the budget was not finalized until April, so CWU was forced to cut only non-tenure track positions, which tend to have the highest teaching loads.

UW also chose to protect its tenure-track faculty and current staff by taking the

brunt of the cuts in vacant positions, and hired only about 20 new faculty members, compared to 200 in a normal year. "A lot of good programs right now are being hurt in this process," said Doug Wadden, executive vice provost of academic affairs and planning. "It is a messy business, because you're not doing it necessarily for academic purposes. You're doing it for budgetary purposes."

The cuts were equally painful at WSU, the state's land-grant institution. But there the administration was somewhat ahead of the curve, thanks to an internal analysis of its programs that had largely been completed when the economy took a nosedive. The Academic Affairs Prioritization Program, known as A2P2, was begun in 2007, in

Because it has no income tax, Washington relies heavily on revenues from sales tax and from a business and occupation tax, both of which have dropped during this economic downturn.

an attempt to focus and strengthen the university.

Through A2P2, the university had identified its lowest priority programs, ranking them based on demand and enrollment. Still, "the budget reduction process was extremely stressful," said WSU Provost Warwick Bayly.

After an exhaustive process that included more than a dozen public forums, the administration eliminated 950 courses this fall, about 18 percent of the university's total offerings. Among the casualties: the departments of theater and dance, community and rural sociology, and the German major, all of which will be phased out.

The economic crisis also prompted the president of WSU, Elson Floyd, to voluntarily reduce his salary by \$100,000, bringing it down to \$625,000. (Floyd's counterpart at UW, Mark Emmert, whose annual compensation package is more than \$900,000, made a similar gesture, turning down a raise this year.) In addition, Floyd and other high-level administrators have agreed to contribute five percent of their base salaries to WSU scholarship funds, a move that is expected to raise about \$330,000. Those actions haven't gone unnoticed, said Derick En'wezoh, president of the Associated Students of Washington State University. "I think students are very appreciative of President Floyd's commitment to this university," said En'wezoh, who described Floyd as "a general who fights alongside his troops."

That's small comfort to Melissa Johnson, 22, a senior from Camano Island, who said she relies heavily on financial aid. The legislature provided an additional \$58 million in financial aid for the 25 percent of students who receive direct state aid, and it also required institutions to dedicate seven percent of the additional revenue raised by tuition

increases to financial aid this year. (The Evergreen State College went well beyond that, devoting 20 percent.) But Johnson, who is majoring in psychology and human development, said she did not receive any additional monies. "As tuition goes up, and financial aid stays the same, there's that gap I need to figure out how to fill," she said. "So that's been really hard. I'm now working full time, and I'm a full-time student."

Students aren't the only ones working more. Faculty and staff at all the institutions have taken on additional workloads in the wake of personnel reductions and increased class sizes. With more budget cuts likely, faculty at WSU are "very nervous" about keeping their jobs, and are wondering whether they should search for positions elsewhere, said Michael Swan, chair of WSU's faculty senate.

Faculty are making other sacrifices as well. At Western Washington University, for instance, the faculty union agreed to delay until 2010 a merit pay raise for 47 faculty members, in order to support additional instruction this year.

And that's the good news. The bad news is that higher education is likely to suffer yet another round of cuts later this winter, when the legislature will grapple with a projected shortfall of at least \$1.2 billion for next year. And then there's the upcoming 2011-13 biennium budget, which is also expected to pose significant challenges, especially without the one-time \$3 billion federal stimulus that helped the state to offset costs this year.

At the Senate Higher Education and Workforce Development Committee hearing in October, the presidents reported that, thanks largely to the dedication of their remaining faculty and staff, their institutions are making do—for now.

But they warned that larger class sizes, fewer courses, less advising and counseling staff, longer waits for financial aid, and an inability to hire faculty all will add up to longer time to degrees at precisely the moment when the state wants the institutions to produce more. And if investment in universities continues to decline, the quality of those degrees will diminish, said WWU President Shepard. "The education may cost the state less and less," Shepard told the committee, "but it also will be worth much less."

Such predictions have lent a greater sense of urgency to ongoing debates about tuition policy and state support. While all the institutions would like to see more state support, there is no consensus among them about tuition. UW is advocating for increased autonomy, including tuition-setting authority. "Whether we like it or not, the most reliable revenue stream we have is tuition dollars, not the state budget," Emmert told the committee.

But at Eastern Washington University, where more than half the students are first-time college-goers, and 80 percent work, higher tuition is not seen as a viable answer. The state must look for new sources of revenue, EWU President Rodolfo Arévalo told the committee. "I know there's a break point at which the students who come to us will no longer come to us, because it's too expensive in terms of tuition," he said.



JEFF T. GREEN, BLACK STAR FOR CROSSTALK

"The budget reduction process was extremely stressful," says Washington State University Provost Warwick Bayly. The administration eliminated 950 courses this fall.

In October, the Washington Higher Education Coordinating Board released a draft of a study that called for connecting tuition to state support. The proposed goal: The state would pick up 55 percent of instructional costs, and tuition would pay for the remaining 45 percent. (The board was scheduled to consider the recommendation at the end of November, as *National CrossTalk* went to press.) The idea is to force lawmakers to consider the relationship between the two sources of revenue. "There is a public benefit from educating our citizens," said Ann Daley, the board's executive director. "The recommendation is based on the belief that the state is the primary shareholder, and so it should pay more than the student."

In theory, tying tuition to state support is a good idea, said Dennis Jones, president of the National Center for Higher Education Management Systems, a non-profit consulting organization. "The problem with all of these grand schemes," he said, "is they presume that the state's going to have revenue."

The proposal received an equally skeptical reaction from UW's Doug Wadden and a representative from Western Washington University. During the Higher Education Coordinating Board's October meeting, they said it would limit their flexibility, and questioned what would happen during economic downturns, wondering whether tuition would have to decrease to keep pace with any reductions in state dollars.

"This is a very affordable place," Wadden said in a separate interview at UW. "Why should students who are capable of paying more be subsidized by everyone?" UW submitted an analysis of a high-tuition, high-aid model that was included in the appendix of the draft HECB tuition report.

Daley said she personally opposes such a model because it hurts middle-income students. "The analysis that we've done shows that higher tuition makes it unaffordable for more than half the families in our state," she said.

And low-income students, especially minorities, are likely to be scared off by the sticker price, without investigating what kind of financial aid might be available to them,

continued next page



DOUG WADDEN, BLACK STAR FOR CROSSTALK

Washington's four-year institutions are eliminating nearly 1,550 positions. "It is a messy business," says Doug Wadden, executive vice provost at the University of Washington.

WASHINGTON

from preceding page

said Democratic Representative Phyllis Gutierrez Kenney, who sits on the House Ways and Means Committee and is a former chair of the House Higher Education Committee. Kenney firmly opposes giving greater tuition-setting autonomy to UW. "We'd end up having an elitist school," she said.

The solution, according to Kenney, lies in finding new sources of revenue. "We need tax reform in our state, which everyone talks about but no one does anything about," she said.

But given the current economic climate, the chances of tax reform are slim, certainly in the near term. So for now, higher education advocates say that the institutions must do a better job of making their case to get a bigger piece of the current pie. "In the past, I don't think we've organized the story in a way that has connected the dots," said Terry Teale, of the Council of Presidents, who has been organizing a public relations campaign in advance of the upcoming legislative session.

One lawmaker who has yet to be won over is Republican Representative Glenn Anderson, the ranking minority member of the House Higher Education Committee. "The cost management of the institutions is

atrocious. And there's a culture of coming to Olympia and bullshitting us about the money," said Anderson, who vigorously opposed the tuition increases. "If you're going to ask more from a public that's under (economic) stress, then you should be offering reforms that justify whatever you're asking from the customer."

Anderson believes the economic situation is so dire that it might merit closing one of the institutions. "It's a legitimate alternative," he said.

State Senator Derek Kilmer prefers a different approach: He's in favor of developing performance agreements for each institution that would tie funding to outcomes. "We need to do a better job collectively of not just holding higher education institutions accountable but holding the legislature accountable, too," he said.

When it comes to lobbying the legislature, the baccalaureate institutions do not enjoy nearly the political sway that the community and technical colleges do. That's partly because the 34 community and technical colleges are all represented by the Washington State Board for Community and Technical Colleges, and therefore speak in a unified voice. They also have a distinct geographical and numerical advantage, pointed out Chris Reykdal, the

Higher education is the largest single area of the discretionary budget, and historically it has been the first place lawmakers turn for cuts when times are tough.

board's deputy executive director of finance. "Our colleges are all over our state," said Reykdal. "And every legislator has at least one college that overlaps their legislative district."

Even so, the community and technical colleges did not dodge the latest round of budget cuts. They took a 10.7 percent reduction in state funds that was partly offset by a seven percent tuition increase. The end result was an average 7.6 percent reduction in funding. At the same time, enrollment is up 9.5 percent over last year, to a record high of 161,000 full-time equivalent students, about 60 percent of the state's total higher education enrollment.

Like the four-year institutions, the com-

munity and technical colleges have reduced their staffs: So far, there have been 230 layoffs, with another 90 projected. They have also eliminated low-enrollment programs and courses, and have increased class sizes, which are up by an average of 23 percent this year. Already, the effects are being felt: Colleges are reporting waitlists in many programs, especially in allied health, said Reykdal. Some students take other classes while they wait; others simply go away. "There is definitely more demand than we can accommodate," Reykdal said.

Currently, some 13,000 community college graduates transfer each year to a public institution, another 3,000 to a private one. But as enrollment increases, the community colleges expect to see a bottleneck at the junior level, because the public baccalaureate institutions will not be able to handle all the students who want to transfer in.

Reykdal believes that a more cohesive message needs to be coming from all sectors of higher education. "The entire education pipeline has to be healthy," he said. "I hope we will band together and continue to talk about ourselves as the economic engine of the state." ♦

Kathy Witkowsky is a freelance reporter in Missoula, Montana.

ILLINOIS

from page 7

continuing students, like Northeastern's Miguel Loeza, this year pay whatever rates they were guaranteed when they started out.

Higher tuitions and hard economic times notwithstanding, the students have kept coming, this year in record-setting numbers. When heads were counted in early October, the state's 12 universities together had 204,469 graduate and undergraduate students on their rolls, a one-year increase of 1.4 percent and their highest combined total ever.

With a bumper crop of students, the state's community colleges set even more enrollment milestones. Their fall count spiked 6.4 percent compared with last year, to a total of 280,025 students, more than in 27 years. Not only were more students attending, they were taking heavier course loads. So that gain in raw numbers translated into a 9.5 percent increase to a sum of 223,353 full-time equivalents, more than in any year in records dating back to 1965.

While 19 of the 48 colleges enrolled at least ten percent more individual students compared with the prior year, 25 posted double-digit growth in full-time equivalents. By either measure, the increases ranged up to around 30 percent.

John S. Erwin, president of two-year Illinois Central College in East Peoria, and of the Illinois Council of Community College Presidents, believes the poor economy and "the spiraling costs of university education" are creating a trend that will last "into the near future," possibly forcing some community colleges to cap their enrollments for lack of space.

Lake Land College, a community college in the central Illinois town of Mattoon, was fortunate in having added 51,000 square feet of classrooms just in time for 7,945 students, or 4,853 in full-time equivalents, enrollment bulges of 11.8 and 12.6 percent, respectively, compared to last year. "We've been trending

slightly upward for the last several years, but we've never seen anything like this, from a percent standpoint or a sheer numbers standpoint, in the history of the college," President Scott Lensink said.

To cope, the college enlarged class sizes, hired more part-time faculty, increased the workloads of full-time faculty, and spent an estimated \$500,000 to add 6,000 volumes to the collection of textbooks it rents to students.

Lensink attributed the enrollment swell to workers displaced by layoffs and plant closings, new high school graduates with no

Higher tuitions and hard economic times notwithstanding, the students have kept coming, this year in record-setting numbers.

good job options, and the college's low tuition and fees of \$2,500 a year. Given their cost advantage, he said, the future bodes well for Lake Land and all of the state's community colleges "from an enrollment standpoint."

From a financial standpoint, the future does not bode well for Illinois public higher education. One reason is that, in order to keep funding up to seeming par with last year, the General Assembly this year used up all \$94 million in federal higher education stimulus money the state had coming. That's \$94 million that won't be available for the universities and community colleges next year.

What's more, the General Assembly balanced this year's budget, in part, by delaying payments and, as was the case with the second-semester MAP funds, borrowing money that will eventually have to be repaid. But repaid with what? A monthly index of the

Illinois economy, calculated by J. Fred Giertz, a professor of economics at the University of Illinois, hit its lowest point since the 1980s in the fall, as state revenue continued to lag. He faulted the "state government" for years of "lack of discipline" in its failure to either cut spending or raise taxes.

Some cast the disgraced governor as spendthrift in chief, mostly responsible for the mess. "You have to lay the blame on Blagojevich, who didn't face up to it over a series of years," Peters said. "There were issues that were systemic in the budget that needed to be dealt with, and they weren't dealt with."

Maloney echoed that sentiment, terming the state's financial situation "disastrous," and attributing it to "a combination of the (Blagojevich) administration overspending, the economy, all kinds of things."

Quinn came into office presenting himself as the fiscally responsible anti-Blagojevich and, for a remedy, advocated an increase in the state's relatively low, flat personal income tax rate of three percent. The Senate during the regular session approved a hike to five percent, but the House balked. Quinn, now running for a full term as governor, has pledged to press the matter again next session.

"Everybody knows that they have to raise the income tax," said Holschneider. He was hopeful that after filing closed in November for next year's statewide elections, legislators with obviously safe seats would be disposed to vote favorably.

Maloney, skeptical that the General Assembly has "an appetite for a tax increase," said the state needs what he euphemistically described as "new revenue."

David Tretter, president of the Federation of Independent Illinois Colleges and Universities, spoke in the same terms. "We do think it's important that the state find some new revenue, in part for need-based student aid, which we think is a main driver for our whole system (of higher education),



John Peters, president of Northern Illinois University, says that Illinois public higher education could "fall off a cliff."

public and private."

Peters predicted Illinois public higher education could "fall off a cliff, unless the state finds a way to enhance its revenue and decides that higher education is a priority."

Maloney doubted that, after ignoring it for several years, lawmakers would have a drastic change of heart toward higher education. "I think their attitude is that the colleges and universities can always raise tuition," he said.

Judy Erwin, executive director of the Illinois Board of Higher Education, cautioned against dwelling solely on money, pointing out that in the 1990s, when Illinois and other states had it, their college graduation and retention rates did not go up. "Money is really important, but it isn't the only determinant in the success of a higher education system in a state," she said. ♦

Susan C. Thomson is a former higher education reporter for the *St. Louis Post-Dispatch*.

Calamity in California

State's battered budget leads to huge fee increases and less access to public universities

By Jon Marcus

SAN DIEGO

CARVED FROM the rust-colored Palomar Mountains along the coast of the churning Pacific, the University of California at San Diego seems as close to paradise as any public higher education institution is likely to look.

A racial and ethnic rainbow of students stroll beneath clear blue skies wearing T-shirts and flip-flops in the 80-degree heat. The student newspaper prints the surf report on page one. Butterflies flit around the eucalyptus trees while hundreds gather on a manicured athletics field for the Chancellor's Challenge, a 5K road race.

The race has been organized to raise money for scholarships to help the poorest students afford the quickly escalating cost of attending this university, whose price increased almost ten percent this fall and will soon rise again by nearly a third.

In all, this event will generate about \$200,000, an inconsequential amount compared to the \$2.6 billion in cuts and added costs suffered by this and California's other public universities since the start of this recession, which came on top of a 40 percent inflation-adjusted drop in state support since the early 1990s.

"What I see in California and around the rest of the country is an emerging catastrophe," said California State University system Chancellor Charles Reed.

The Golden State has stumbled from higher-education success story to poster child for the crisis at American public universities. Its university system—by far the nation's biggest, divided into 110 community colleges, the 23 campuses of the California State University, and the ten University of

California campuses—has traditionally also been among the best, including as it does UCLA and UC San Diego, both ranked among the nation's top 20 research universities, and flagship UC Berkeley, consistently named the best public university in America. Faculty at all the UC schools combined have won 55 Nobel prizes.

But huge and continuing population

"What I see in California and around the rest of the country is an emerging catastrophe."

—CALIFORNIA STATE UNIVERSITY CHANCELLOR CHARLES REED

growth of about 50 percent since 1980, corporate tax cuts, a largely dysfunctional state government, an enormous increase in spending on prisons, and overdependence on income tax, capital gains and sales taxes—exactly the revenue streams most affected by recession—have combined to leave California with a staggering \$26 billion shortfall this year in revenues for public services.

The result has looked like something out of a Hollywood disaster movie. State buildings were put up for sale, health care services were cut for the poor, office equipment was auctioned off on eBay to raise money, parks and beaches were closed or left unsupervised, and departments had to resort to issuing creditors IOUs.

State allocations to California universities and colleges were slashed by up to one-fifth, with \$680 million cut from the community colleges, \$584 million from the Cal State system, and \$813 million from the University of California—creating, as the university figures it, a \$1.1 billion hole, when increases in utility costs, health benefits and overenrollment are taken into account. This even after California's share of federal stimulus funding was applied against the leak—funding that will eventually run out.

"Higher education is in a competition it has never been in before," Reed said in his office in Long Beach, counting the many problems on his fingers. "It's in that competition with healthcare, and the burden Medicare and Medicaid have put on states." But mostly it's in competition with prisons, he said, in a folksy manner that evoked the years he spent in Tallahassee overseeing Florida's now equally troubled public university system.

"Somewhere in the mid to late '80s," Reed said, "legislatures all around the country...began to

try to figure out how they could 'out-crime' each other. They didn't look at the consequences and the outcome of these severe penalties for nonviolent crimes." An inmate in a California prison, Reed said, costs the state five times as much as a student at a state university. "It's nuts," he concluded. Yet when the state Senate passed a bill that would have released 34,000 prisoners, the Assembly balked.

Most of the 180,000 faculty and staff at the University of California are being forced to take unpaid furloughs of from 11 to 26 days, depending on their salaries. At Cal State, faculty are being furloughed for about two days a month. "To call people profoundly demoralized is to be kind," said Lillian Taiz, president of the California Faculty Association. "Those who can leave are leaving."

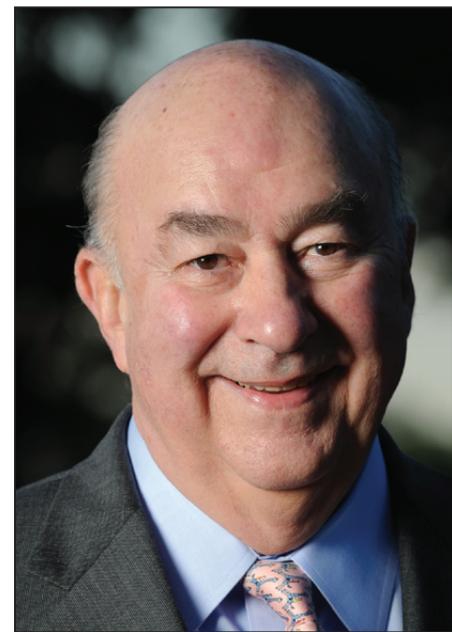
Recruitment of new faculty has skidded to a halt. At Berkeley, which typically hires 100 new professors, only ten positions will be filled this year. At UCLA, the number of courses was reduced by 165 this fall, or ten percent. Average class size there has soared to 60. UC Irvine has halted admission to its doctoral program in education, UC Davis has eliminated 44 humanities and cultural studies courses and its liver-transplant program, and UC Santa Cruz has canceled courses with fewer than 100 students and deferred planned majors in earth sciences and environmental sciences. San Francisco State University has cut 354 courses, turning the first day of the fall semester into a chaotic free for all, with students "crashing" courses that were well beyond capacity and begging faculty to let them in. Some said they were giving up and quitting school, unable to enroll in the required courses they needed to eventually earn a degree.

In fact, in spite of the increased demand, California's universities and colleges are intentionally shrinking their enrollments. The overburdened community colleges, flooded with a record 2.9 million students this fall, nonetheless reduced course offerings by 20 percent. That's 600 classes in the San Diego Community College district, for example, which told some 18,000 students—more than most American community colleges enroll—to come back in the spring.

The Campaign for College Opportunity, a coalition of business, labor and education leaders, estimates that the community colleges will ultimately have to turn away as many as 250,000 students. The Cal State system is following through on threats made during state budget deliberations to slash enrollment by 40,000, or almost ten percent. "It's become this game of chicken, where the university says, 'Well if you're not going to give us money, we can't take people,'" said Nancy Shulock, director of the Institute for Higher Education Leadership & Policy at Sacramento State University. Responded Reed: "What am I going to do? If I have half a billion dollars less, what am I going to do? We have to ensure that the degree still means something."

Whatever the degree means, it certainly costs a lot more than it used to.

On November 19, in a UCLA meeting



"When people start to be denied—and denied access for their children—they're going to get mad as hell," says Charles Reed, chancellor of the California State University system.

room ringed by helmeted police in riot gear with tasers, surrounded by a crowd of angry students chanting, "Shame on you," and singing "We Shall Overcome," the University of California Board of Regents met. They voted 20-1 to approve a 32 percent increase in the cost of attending a UC school, which will rise by \$2,500 per student, to about \$10,300, not including room and board and other fees—more, for the first time, than top public universities in New York, Illinois, Michigan and Virginia. Students will see a mid-year increase of 15 percent starting in January.

The regents said they had no choice, and that the blame belonged with the legislature. Fourteen of the protesters at UCLA, 12 of them students, were arrested. In the following days, protests erupted at Berkeley and UC Santa Cruz (where students occupied

On November 19, the University of California Board of Regents voted to approve a 32 percent increase in the cost of attending a UC school.

campus buildings), and at UC Davis. Scores of people were arrested at Berkeley and Davis. Protesters at Santa Cruz relinquished an administration building after a tense standoff with police officers in riot gear.

On the same day that the UC Regents voted, Cal State's Board of Trustees approved an \$884 million budget request to the legislature, which would restore money previously cut and add new funding. However, it will not be known how likely this is until the governor releases his next budget in January.

In the meantime, the highly publicized reductions in enrollment at California's colleges and universities have driven record numbers of panicked high school seniors to apply early for admission to the public universities. More than 25,000 submitted applications on the first day of the admission

continued next page



"We're losing sight of what a public higher education means—something that's affordable and accessible to everyone," says Utsav Gupta, student body president at UC San Diego.

CALIFORNIA

from preceding page

riod, and 66,000 in the first week, double the usual number, heeding warnings that at least 12 campuses would slam the doors shut on November 30—not only on prospective freshmen, but also on transfer students from the community colleges.

Even the University of California has said that it is overenrolled by 11,000 students and will likely take fewer applicants next fall. At Berkeley, there is a conscious effort to accept fewer state residents, in deference to out-of-state students whose considerably higher fees generate an extra \$23,000 apiece. Berkeley wants its propor-

The share of the state budget that goes to higher education has been cut nearly in half since the 1980s, while the proportion spent on prisons has tripled.

tion of out-of-state students to nearly double, from 12 percent to 23 percent. “We’re rationing education here,” one insider grumbled.

As in many states, which have steadily reduced their share of the cost of public higher education, the calamity in California started well before this academic year. The share of the battered state budget that goes to higher education has been cut nearly in half, from almost 20 percent in the 1980s to ten percent today, while the proportion spent on prisons has tripled, from three percent to nine percent.

California has climbed to fourth among the 50 states in payments for prisons as a percentage of personal income, while plummeting to 29th by the same measure in spending on education.

Combined with previous rounds of cuts, California’s universities have lost two-thirds of their state allocations, when adjusted for inflation, since the early 1990s. That means they now get \$7,730 from the state per stu-

dent, compared to an inflation-adjusted \$15,860 in 1990, University of California President Mark Yudof has said.

In a state whose celebrated 1960 Master Plan for Higher Education guaranteed tuition-free access, California’s public universities have responded by increasing educational fees (in an Orwellian twist, it’s still not called tuition) by 127 percent since 2001 at the University of California, even before November’s increase, and by 161 percent at Cal State—11 percent and 13 percent per year, respectively. That’s far above any increase in inflation or household income.

Meanwhile, financial aid to students provided under the Cal Grant program was mostly shielded from the budget cuts, which is a relief to students, after Governor Schwarzenegger in the spring proposed eliminating the program entirely. With the increased fees and stagnant economy, there appears to be plenty of need: The number of recipients of Cal Grants has exploded by 68 percent since 2000, from 179,860 to 301,972.

“We’re losing sight of what a public higher education means—something that’s affordable and accessible to everyone,” said Utsav Gupta, student body president and a neuroscience major at UC San Diego. “Students are looking at the system and wondering, why are we taking the brunt of this?”

The state has already slipped dramatically in the proportion of its population with a bachelor’s degree, falling from first among the 15 largest states in 1981 to 14th. It is now 49th in the share of its population over the age of 24 that has graduated from even high school, and 46th in the proportion of 19-year-olds enrolled in college. Even in better times, only about 106,000 of those nearly three million community college students were managing to successfully transfer to a UC or Cal State school, or even to private or out-of-state universities.

More than 300 University of California faculty have warned Governor Arnold Schwarzenegger—himself the product of a California community college—that the latest cuts will imperil not only the universities’ prestige, but also the state’s economy. Public universities produce 75 percent of all the bachelor’s degrees in California. And if current trends continue, according to the Public Policy Institute of California, the increasingly knowledge-based economy will face a shortfall of a million educated workers by 2025. “I just don’t think that people understand how that affects everybody—the tax base, the crime rate, everything,” said Shulock.

And there is little sign that things will turn around. Another \$7 billion state budget shortfall is projected for next year. Other areas, including primary education, have been promised first dibs on the money when revenues pick up again. In an October memo to campus business administrators, Cal State’s chief financial officer wrote ominously that “tinkering with reductions at the margins will be insufficient. It will be necessary to change radically business processes and service delivery systems so that personnel costs and other expenditures can be reduced significantly on an ongoing basis.” Yet rather than banding together to defend the universities, higher education interests are feuding among themselves.

United Professional and Technical Employees, which represents 10,000 health-



UC San Diego Chancellor Marye Anne Fox (center) at the annual “Chancellor’s Challenge” 5K run, a fundraiser for scholarships to help low-income students, surrounded by current scholarship recipients.

care, research and technical staff at UC, took out ads criticizing bonuses and perks paid to administrators under President Mark Yudof. “Whose university,” the ads read—“yours or Yudof’s?” The system responded that some administrators, mainly at medical centers, got more pay for taking on management responsibilities, but that most have accepted pay cuts. So has Yudof, though he still makes \$540,000 and has a home provided for him in Oakland that costs the university system \$10,000 a month.

In the middle of the budget crisis, the University of California paid \$125,000 to an administrator to move 70 miles from Santa Cruz to Oakland, then hired new chancellors at UC Davis and UC San Francisco at salaries of \$400,000 and \$450,000, respectively, about ten percent more than their predecessors had earned, along with free housing and, for the UC San Francisco chief, a \$100,000 relocation allowance. This so angered some legislators that they proposed an amendment to the state constitution that would put the system under their direct authority. Although it editorialized against the bill, the *Los Angeles Times* blasted the universities for what it called their “too-cool-for-accountability” attitude.

The attacks have not subsided. Yudof is particularly unpopular, especially after telling the *New York Times* that “the shine is off” public higher education. The chairs representing all ten University of California academic senates responded with a letter declaring themselves “emphatically not ready to concede the defeat of California’s exceptional experiment....If the legislators and the public have come to see investment in an educated citizenry as anything less than the central pillar of social and economic growth, then we educators must redouble our efforts to make the case.”

Students are not exactly thrilled with Yudof either. In a speech before the regents, he defended huge fee hikes by saying that, if more courses had to be canceled because of a lack of money, it would take students longer to graduate. “So raising tuition may, in fact, ultimately save students money.” On the day of the UC San Diego 5K, the student newspaper there and at the other University of California campuses published

an open letter from Yudof (the UC San Diego editors gave it the headline, “A Few Desperate Words from Your President”), ending with the line: “Anybody game for a march on Sacramento?” Upstairs in the student government office, Gupta is frustrated by what he calls a lack of advocacy from the president’s office. “We’d like to see more from the top down, but we aren’t seeing anything, so we’re working from the bottom up,” he said.

Administrators concede that they could do a better job of forming alliances. “The real dramatic decline in the budget happened very late in the budget year,” said Nathan Brostrom, interim executive vice president for the University of California system. “That precipitated a lot of things that are really jarring and unsettling. A lot of what we’ve seen this fall will be ultimately constructive, but I think it was people react-

In spite of increased demand, California’s universities and colleges are intentionally shrinking their enrollments.

ing to these dramatic events.”

Cal State’s Reed has also been a target. In a vote taken by that system’s faculty union, 79 percent expressed no confidence in him, and signs reading “Remove Reed” popped up in a protest at Cal State Fullerton. The central administration functions of Cal State cost \$75.1 million a year, more than the budgets of three of its campuses and almost as much as a fourth. “Does the chancellor need a whole bloody building to do what he does?” asked Taiz, the faculty union head. “Do we need all of these associate vice presidents? I don’t begrudge people a decent wage, but I think they get a little carried away with themselves. These are public institutions. At the very least, if you’re making that much money, with the free house and the free car, you should go out and find us a way to get more money.”



Nathan Brostrom, interim executive vice president for the University of California system, says that the dramatic decline in the budget has been “really jarring and unsettling.”

Reed said the blame game starts in Sacramento, where the politicians who cut state financial support are fully aware that the universities can, and likely will, pass the burden on to students. “Legislators know that,” he said. “They’re going to criticize me and Mark (Yudof) and other leaders for raising tuition, but they know we can do this. So there is the shift to fund higher education, from a public good that government needs to pay for, to a private good that individuals will have to pay for themselves.”

As for the labor unions, Reed thinks they have a limited perspective. “They’re very insular,” he said. “In California the labor unions seem to think there’s a golden goose that’s going to fly over Sacramento and drop

Recruitment of new faculty has skidded to a halt. At Berkeley, which typically hires 100 new professors, only ten positions will be filled this year.

money. Guess what? There isn’t any money in Sacramento.” Taiz disagrees. “California is still the eighth largest economy in the world,” she said. “It’s not true that there’s no money here. It’s true that people don’t want to tax the money that is here.”

Some faculty also have attacked the ill-timed expansion of the UC system with the addition of a new campus in Merced in 2005, a time when resources already were becoming thinly stretched. In a letter to Yudof, 23 department chairs at UC San Diego called for the Merced campus to be closed. The system, they said, should “drop the pretence that all campuses are equal,

and argue for a selective reallocation of funds to preserve excellence, not the current disastrous blunderbuss policy of even, across-the-board cuts.”

New construction, which continues at the universities, also is a lightning rod for anger in a time of budget cuts. Faculty have a saying—“The cement never dries at a UC campus”—and, in fact, construction cranes and hardhats seem ubiquitous. UC Berkeley alone is in the midst of a \$760 million building boom, including \$430 million on a new office, training and locker-room complex for athletics, and renovations to the football stadium.

But buildings don’t come out of operating funds, said Brostrom, even as he prepares to defend the football renovations before the academic senate. Many of the projects predate the economic downturn. And it’s a good time to build; bids are coming in at 20 to 30 percent below budget. Still, Brostrom said, “I can understand the frustration of faculty who are not only not getting raises, but getting furloughs, and still seeing buildings going up.”

That’s not the only spending that has drawn public ire. So has the handling of donations from foundations that now account for \$1.34 billion a year, or 20 percent, of the Cal State budget. Legislators passed a measure making the foundations more transparent and accountable, but Schwarzenegger vetoed that, too.

Reed said he is not reluctant to impose reforms, even radical ones. For starters, he would like to see an end to the 12th grade. “That’s the biggest waste in education,” he said. “Those resources could be so much more effectively used.” Reed also likes the idea of reducing the number of credits—and, as a result, the time—it takes to get a degree. “We’ve got to figure out how to open ourselves to change. You’ve got to push down, and you’ve got to pull up. We’ve

got to provide incentives to have faculty, students and others come up with ideas for doing things differently.”

Inviting inevitable ridicule, UC Berkeley hired a private consulting firm to sniff out administrative efficiencies, for \$3 million. “We took some brickbats,” said Brostrom, who also serves as vice chancellor for administration at UC Berkeley. But he said there is the potential for saving as much as \$75 million.

In addition to finding savings, there are efforts being made to find more cash. A coalition of students proposed a one percent tax on residents who make \$1 million or more a year, using the proceeds to freeze university fees for five years. Predictably in tax-averse California, it failed. Now they have joined with the faculty unions and some legislative allies to call for a 9.9 percent tax on oil drilled from under California—the only oil-producing state that does not have such a tax—to raise \$1 billion for higher education.

State officials have been pushing for the feds to step in, beyond the \$26 billion in stimulus money for all purposes (including \$4.35 billion for all levels of education), which the state is due for last year, this year and next. Yudof, in a policy paper, called for more federal support for public higher education.

Reed said Title I, under which Washington helps underwrite public elementary and secondary schools that serve low-income students, ought to be extended to the universities. “If Title I was such a great idea in equalizing opportunity for education, why does the federal government quit supporting the added cost of educating those students at the 12th grade? It doesn’t make sense to not guarantee a successful outcome,” he said.

Even if that succeeds, though, the budget crisis has exposed a lack of coordination

among California’s massive higher education systems. “In general, across policy areas, California has a weak culture for planning,” Shulock said. “We don’t have strategic plans, we don’t do any kind of performance budgeting, we don’t do long-term planning. It’s just been part of the California culture, which I think can be attributed to its size and lack of unity.”

And students continue to be shut out. “The people who drop out are the newcomers, the immigrants, the first in their families to go to college,” Shulock said. “They don’t have the flexibility in work hours or the car to get to another community college across town. They don’t know that if they sit in the class long enough the professor will just let them in.”

Reed said that “students who are less prepared and less knowledgeable about what the requirements are to get into college,” will be left behind. The 20,000-plus students who were once accepted, even though they fell short of admissions standards, will not be anymore.

“When people start to be denied—and denied access for their children—they’re going to get mad as hell,” Reed said. “That’s a constituency that’s going to wake up.”

Back at the road race, UC San Diego Chancellor Marye Anne Fox said the unfortunate prospect is that America’s public universities “will slip into mediocrity. Everywhere around the world, when people want the very best in higher education, they come to the United States. Anything that impugns that is to the detriment of everybody, not just in the United States, but around the world.”

Then she mounted the podium and blew an air horn to start the race. ♦

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

FLORIDA

from page 1

sources to add new sections to courses when extra demand appeared. Once the allotted sections were filled, the courses would be closed. This distinction was crucial because sections constitute the currency of the community college system, and adding sections

allows colleges to expand with demand and maintain their open-to-all policy.

The warnings came even as demand for education and retraining was mushrooming throughout south Florida, much of it pushed by the economic crisis. The new education seekers included recently laid-off workers, former soldiers on the GI Bill, students whose families could no longer afford high-

er-priced institutions, and the sons and daughters of recent immigrants.

Throughout the summer they enrolled at the college, and when the midnight hour struck on June 17, a huge horde of them—no one knows precisely how many—stood ready at their laptops. Everyone rushed the virtual door of the college at the same time, trying to grab the available classes. And then the door slammed shut.

Overwhelmed, the college’s computers blocked entry to many of those trying to register, while allowing others to proceed. Aaron Pabon, editor of the student newspaper at the college’s Kendall campus, fell asleep at his computer just before midnight and then awoke with a start. He hurriedly tried to sign onto the system, but it was too late. His girlfriend, Melody Aleman, hit the button on her computer a few miles away and was admitted.

The college’s registrar, Dulce Beltran, watched the electronic traffic jam with amazement from her home computer. She had never seen such a tide of humanity sweeping toward the college on registration night. Signing into the system as an administrator, she watched as classes filled with startling rapidity. She could also see that thousands of students were being shut out because of the overload, and with each passing minute, their chances of finding classes were diminishing.

The meaning of the moment was not

Florida has never been generous to higher education and, among the states, currently ranks near the bottom in funding for public colleges and universities.

lost on Beltran. Miami Dade, once open to all, was now closing its doors through random selection. Somewhere a computer was choosing who would gain entry to the registration process and who would not. In effect, the computer was choosing who would have access to education.

In the days that followed, administrators attempted to mitigate the damage by hand-processing registration for many of those who had been shut out. Still, the damage was done. Beltran estimates that some 30,000 students at Miami Dade failed to get courses they needed to stay on a graduation track. Some 5,000 students got no courses at all.

And the agony did not end there. Cutbacks in the financial aid and advise-

continued next page



Dulce Beltran, Miami Dade College’s registrar, watched from her computer as online registration became an electronic traffic jam. Thousands of students were shut out because of the overload, unable to get the courses they needed.

FLORIDA

from preceding page

ment staffs meant students could spend entire days trying to get paperwork and schedules completed. A month after school started, the long lines remained. The delays in aid processing grew so long that some students were forced to borrow money for tuition until their loan or scholarship checks arrived.

The college, of course, trundles forward, carrying on the year's work. But to Miami Dade officials the significance of June 17

Florida's foreclosure rate ranks among the highest in the nation, and in the past two years its annual tax receipts have dropped by more than \$12 billion.

was ominous: one of the grand bargains of American education had been broken. That bargain said that, while a kid from an underprivileged background might not get into Harvard, or even Florida State, if he or she had a high school diploma and the desire for more education, it would be available at a place like Miami Dade.

On the fourth floor of the downtown campus of Miami Dade, President Padrón and his top lieutenants operate out of a cool and modern suite of offices above the cen-

tral courtyard. Padrón, 64 years old, makes a habit of greeting visitors himself in the anteroom and escorting them to the inner sanctum. His manner is almost old-world in its courtliness, and he speaks in a soft cadence. But the words contain a barely controlled anger.

"In all this time," Padrón said, referring to the breakdown and difficulties of the autumn, "I have not had one phone call from a legislator saying they were sorry. To them, it's like nothing has happened."

The legislators in Tallahassee are much on the minds of Padrón and his compatriots here. For three years the lawmakers have relentlessly slashed college and university budgets. At Miami Dade, the retreat of state funding has come in several forms and can only be appreciated in its totality.

Since 2007, budget reductions for the college have amounted to 18 percent, or some \$35.2 million, while enrollment steadily increased. This year the cuts were mitigated somewhat by the arrival of \$13.6 million in federal stimulus money.

Those direct funding reductions came on top of the withdrawal of \$27 million in scholarship matching funds, forcing the college to compensate by drawing down other accounts.

And the cruelest cut of all came from the state's peculiar funding system for community colleges, which allocates money according to the *previous* three years' average enrollment. When demand grows at the colleges, as it usually does, campuses find themselves teaching students for whom they are not reimbursed by the state.

At Miami Dade, those figures are startling. This year it has 35,000 unfunded students, equivalent to the entire undergradu-

ate population of the University of Florida. The annual bill for those students comes to \$39 million.

"The system has collapsed here," said Padrón. "We can't hire faculty to teach students, and our buildings are deteriorating and breaking down. Thousands and thousands of students have been turned away, which has never happened in our history. If we are forced to keep rejecting these students, I fear we are headed for some kind of social breakdown. You simply can't deprive people of a way upward."

Padrón looked out his window which reveals part of the downtown campus. Referring to presidents at other state colleges, he said, "Many of my colleagues won't dare say these things because, frankly, they are afraid of losing their jobs. I understand that. But someone has to say it so we can begin to try and reverse the tide."

By all accounts, reversing the tide will be a major challenge. Florida has never been generous to higher education and, among the states, currently ranks near the bottom in funding for public colleges and universities.

Moreover, the economic crisis struck famously hard here. More than most states, Florida rode the housing boom to prosperity during the early years of the decade and now is reaping the whirlwind. Its foreclosure rate ranks among the highest in the nation, and in the past two years its annual tax receipts have dropped by more than \$12 billion.

Across the state, scenes of the cataclysm litter the landscape. Here in Miami whole clusters of candy-colored condo high-rises stand empty, almost as if they had been struck by a neutron bomb. In Coral Gables the fronts of closed stores have been covered by perky scenes of affluent shoppers, as if to disguise the failure. The state is losing population for the first time in a century.

Florida's problems are compounded by its near total reliance on the sales tax for revenue. One of the most tax phobic regions of the country, Florida has no income tax, meaning its recovery will await a resurgence in consumer spending. Thus far, it has not appeared. The latest available figures show sales tax revenue lagging behind last year's levels, which were already anemic.

As legislators found themselves forced to choose between higher education and other needs such as prisons and Medicaid, higher education has lost. "When you have the state losing billions in revenues, legislators are going to gravitate first to the essentials," said Patrick Dallet, a recently retired senior analyst for the legislature. "And higher education is not regarded as an essential."

The pain has been shared up and down the food chain. State funding of the university system was chopped by \$451 million, or 22 percent, over the last two years, while enrollment at the 11 campuses declined slightly to 256,000 students. In addition, the state's highly popular Bright Futures scholarship program was curtailed.

Some relief for the universities has come in the form of \$161 million in federal stimulus funds. In addition, the Florida Board of



Florida State University President T.K. Wetherell, who last summer announced a withering series of cutbacks, says the changes are permanent.

Governors capped freshman enrollment at 2007 levels and, after several years of tortured negotiations with lawmakers, it won approval of 15 percent annual hikes in tuition. The hikes will continue until Florida's traditionally low tuition reaches the national average for public institutions.

None of those measures has relieved the gloom. At a town hall meeting at Florida State University over the summer, President T.K. Wetherell opened the conclave by quoting Winston Churchill. "It takes a master craftsman years to build a mansion, but only a matter of hours to burn it down," he told the gathering. "That's where we are today with Florida State."

Wetherell likened the universities' plight to that of the nation after the September 11, 2001 attacks. The changes, he said, are permanent. "We are not going back to the way things were two or three years ago," he said.

A few weeks later Wetherell announced a withering series of cutbacks at his university: the "suspension" of the Geology de-

This year Miami Dade has 35,000 unfunded students, equivalent to the entire undergraduate population of the University of Florida.

partment, layoffs of 200 staff and faculty members including 25 tenured professors, and the requirement that several satellite campuses find their own, independent funding for operations within three years.

But, bad as they are, the recession-induced agonies of Florida's universities are not nearly as severe as those of the community colleges. The reason is simple: When the University of Florida caps enrollment and displaces students, those students almost always find other institutions to attend, most notably the community colleges. But when a community college such as Miami Dade caps enrollment, those displaced students are pushed out of higher education altogether.



Eduardo Padrón (right), president of Miami Dade College, chats with students at the downtown campus. His audacious plan for a half-cent sales tax increase in Dade County would create a badly needed source of funding for the college.

Additionally, the community colleges are charged with educating those students most in need of it: the vast and growing population of minority and underprivileged young people. This group has lagged badly in education and accounts for much of America's fall from grace in terms of higher education leadership. If the nation is to recover that leadership, the community col-

One of the most tax phobic regions of the country, Florida has no income tax, meaning its recovery will await a resurgence in consumer spending.

leges must do the heavy lifting.

A profile of students at Miami Dade offers clues of this distinction. According to the college, 75 percent of its freshmen arrive needing remedial classes in reading or math; nearly two-thirds come from families classified as low-income or poverty-level by the federal government; most are the first generation of college goers in their families.

"The plight of the community colleges is always something that annoyed me," said Robert Atwell, a former president of the American Council on Education who now resides in Sarasota, Florida. "They receive far less in funding than the four-year institutions, and yet they are so important. Several times (at the council) I tried to get something going that would re-balance the funding disparity, but the idea failed. The community colleges have never been able to muster the political clout of the universities."

If anything, the disparity between the universities and community colleges has gotten worse. Last year the freshman class at the University of Florida sported an average SAT score of 1293, and at Florida State it was 1261, numbers that rival some top private universities. In the face of this competition, minority enrollment has been falling at both institutions.

Meanwhile, the state's per-student funding for universities now stands at \$11,519, or roughly four times the \$2,859 for community colleges. And while university enrollment here has remained flat since the recession hit, community college enrollment has exploded. This year alone it grew 20 percent, according to the Association of Florida Community Colleges.

Remarkably, the state's community colleges have built themselves into one of the leading associate's degree granting systems in the nation, in spite of the state's parsimony. A number of surveys has placed them in the top rank, and the magazine *Community College Week* lists five Florida colleges among the top producers of associate's degrees in the nation.

But within the Florida system, Miami Dade stands in a category by itself. *Community College Week* ranks Miami Dade first in the nation in the number of degrees awarded to African Americans and Hispanics, and number one in academic degrees leading to transfer to four-year institutions.

All by itself, Miami Dade transfers so many students to the University of Florida

that they account for 18 percent of the university's undergraduate student body, according to the college. Its 300 programs offer classes in everything from sheet metal work to higher math, and the schedule operates seven days a week, from early morning until midnight.

In the midst of producing those numbers, the college has also pulled off something of a hat trick, at least for a community college. It has risen to the status of a major cultural asset in Miami. When Arne Duncan, the new U.S. secretary of education, made his first visit to a college campus, he came to Miami Dade. When Padrón held a fundraiser recently, the keynote speaker was First Lady Michelle Obama.

Miami Dade's graduates include local congressmen, police chiefs, mayors, judges and business tycoons. The college hosts the city's book fair and film festival. And if the college's chess team beats its counterparts at Harvard, Yale and Dartmouth, as it did in 2006, everyone in town knows about it.

"Eduardo (Padrón) could probably be elected President of the United States if the election were limited to Miami," said Martin Fine, a prominent local attorney who served on the Miami Dade board in the 1990s. "He and the college are that important to the community."

Padrón has made his mistakes, and his style of top-down management produced a short-lived faculty revolt in the late 1990s. But today he is largely lionized and given credit for instilling the college's administration with a sense of fervor for its mission. Rolando Montoya, the college provost, described the administration as operating "something like an apostolate."

"I don't want to exaggerate, but people come to work here every day with the goal of helping those who don't have much," said Montoya in his office next to Padrón's. "To me, even our bureaucratic fights are interesting in that way. People don't fight for salaries or travel or perquisites. They fight for classroom space or new desks, tools that can help the students. It becomes a passion, and it's contagious."

But the fact is, Miami Dade is still going broke. And the prospects for a rescue from Tallahassee appear slim.

Michael Brawer, executive director of the Association of Florida Community Colleges in Tallahassee, said that, as of October, "the situation doesn't look any better for next year, although it doesn't look any worse. I think many people will be happy if funding doesn't get cut again."

The federal stimulus money will remain for one more year, and this year all state colleges were permitted to raise tuition by eight percent (compared to the 15 percent allowed for universities). Still, added together, these numbers mean Miami Dade and other community colleges likely will tread water in the coming year, at best, and more students almost certainly will be refused entrance.

Dennis Gallon, president of Palm Beach Community College, where enrollment grew by 13 percent this fall, said he perceives no light at the end of the tunnel. "If there is a light, it's the light of another train coming at us," he said. "And that train is full of more students—always more students."

Though Palm Beach has not yet turned away students, as did Miami Dade, Gallon makes no promises about the future. This year, he said, more than half the college's classes were taught by adjunct faculty, be-



Dennis Gallon, president of Palm Beach Community College, where enrollment grew by 13 percent this fall, says he perceives no light at the end of the tunnel. "If there is a light, it's the light of another train coming at us."

cause regular faculty members cannot be hired to handle the influx. "How can you maintain a quality education if you rely on adjuncts to teach 52 percent of your classes?" Gallon asked. "The answer is, you can't. We have lost something, I won't deny it."

Padrón, like Gallon, sees little or no relief for these conditions coming from any traditional source of revenue. The only hope, he has decided, lies in an audacious plan to create an entirely new source of funding. That plan involves a half-cent sales tax increase in Dade County. Being limited to the county, the plan would benefit only Miami Dade rather than the college system as a whole. It will require the college first to persuade the legislature to place the issue on the ballot and then to win support of the local electorate.

Depending on how you count, this plan already has failed once or twice in recent years. In 2008 Florida voters rejected a state amendment that would have allowed any county to impose a sales tax increase to aid community colleges.

The measure lost in every county in the

Miami Dade transfers so many students to the University of Florida that they account for 18 percent of the university's undergraduate student body.

state except one: Dade County, where it passed with 61 percent of the vote. This exception was not lost on Padrón and his colleagues, who saw it as a reaffirmation of local support. So they went back to the legislature this spring to request authorization for a Dade County measure, arguing that the local voters had already expressed their enthusiasm for the idea.

The request sailed through the state

Senate but suddenly died in the House when a committee chairman, from another region, declared the proposal "bad tax policy" and refused to hold a hearing on it.

Padrón is convinced the measure can be resurrected, and so, this spring, he will make another run at Tallahassee, marshalling a wide array of south Florida political and business leaders to argue on its behalf.

If passed, the measure would rescue the college in one fell swoop. College officials estimate the revenue at \$170 million annually, or about half the college's budget. Over the entire life of the increase, which would expire after five years, the college would receive \$850 million.

Not surprisingly, the campaign has produced some ambivalence on the part of officials from other colleges that would receive no benefits. Gallon, president of Palm Beach, expressed his doubts with delicacy. He said he supports Padrón in the campaign but did not believe it would be good for the system as a whole.

"When you create pockets of excellence in the system, with different levels of funding, you are going to have problems," he said. "It would be far better to have a solution for everyone."

The Miami Dade plan does, in fact, have a Darwinian tinge to it. The college, under extreme stress, is attempting to save itself. As such, it may be suggesting something about the depth of Florida's crisis. When institutions are driven to near starvation, they will do whatever is necessary to survive. If they must abandon the old harmonies in the process, so be it.

In any case, Padrón is optimistic about the outcome. Florida—and, by extension, the United States—has no choice but to recognize the value of its community colleges, he said. "If the country is going to recover from this economic crisis and once again become a vigorous nation, we must provide a way upward for the millions who have so little. And no one else can do that but places like Miami Dade." ♦

Robert A. Jones is a former reporter and columnist for the *Los Angeles Times*.

OTHER VOICES



A Societal Imperative Changing the way we think about community colleges

By Pamela Burdman

RECENTLY, while browsing the aisles of my local Barnes and Noble, I noticed something that I had never seen. On a display of books about education was a propped-up copy of “The Community College Guide: The Essential Reference From Application to Graduation.” As I have spent most of my time and energy in the last several years focused on community college student success, the blue-and-white paperback seemed to be staring straight at me.

The guide, written by two faculty members at Bronx Community College, includes chapters such as “The application process in 20 documents or less,” “ESL and remediation: not just for beginners,” “Overcoming procrastination,” and “Transferring to a four-year school.”

I felt some ambivalence upon perusing the book: On the one hand, I feared that becoming the subject of a college guide could push two-year colleges into a competitive and rankings-driven four-year mold, away from their core mission of providing opportunity for students who traditionally are not served, or not well-served, by four-year institutions—part-time students, low-income students and adult students, for example. On the other hand, the topics did seem relevant and the content accurate. Why shouldn’t students considering two-year colleges have some guidance in their decisions? The book seemed to be tangible evidence that community colleges are being recognized for their central role in educating Americans.

For too long, two-year colleges have been not just the stepchild of our higher education system, but often an afterthought within the entire education pipeline. This fact is one of the

For too long, two-year colleges have been not just the stepchild of our higher education system, but often an afterthought.

premises of “The Community College Guide.” “We, of course, have known about this unheralded treasure for years,” wrote the authors. “To tell the truth, we’ve also been frustrated by the bad rap community college has received for so long. Too many haven’t recognized these schools as serious institutions of learning, and even more have simply ignored community colleges altogether.”

This neglect has in fact had a cruel impact on educational opportunity for our least advantaged students. Until recently, a myopic focus on four-year universities has been common among policymakers, journalists and researchers, making it hard to see

the real needs of community colleges and their students. Knowing that students may be more likely to earn bachelor’s degrees if they start at four-year institutions, many advocates have pushed for steering students away from community colleges and toward four-year universities.

Programs abound to help promising disadvantaged students to enroll in four-year colleges and earn scholarships for their education. Too often policy discussions about college access end up obsessed with admissions standards at elite public institutions—even as policymakers neglect the needs of two-year colleges and their students by funding them poorly or limiting access, for example. Financial aid opportunities for community college students generally remain slim—even though these students often have greater need than university students.

It is important to ensure that disadvantaged students are not shut out of elite institutions. But a sole focus on four-year universities never constituted a strategy for raising education levels. Nearly half of the nation’s college students attend community colleges, a fact that can’t be changed by disparaging or ignoring community colleges. And these are the students who are least likely to succeed without effective educational strategies.

Sandy Astin, former higher education professor at UCLA, argued compellingly in these pages about a decade ago that higher education treats underprepared students (the bulk of community colleges’ students) as pariahs, concentrating them in community colleges and hiring part-time instructors to teach them. “We manage to avoid contact with most underpre-

pared students through selective admissions, by tracking them into community colleges, by hiring outsiders to teach them, and by continuing to support grading and norm-based testing practices in the lower schools that almost guarantee that large proportions of them will be discouraged from even considering further education beyond high school.”

To be sure, as Astin and other advocates of better support for community colleges are the first to admit, two-year colleges do not serve their students as well as they should. Too few students complete degrees or credentials. Too many students arrive ill-prepared for the demands of college, and, more often than not, colleges fail to help those students navigate those demands. But rather than the fault solely of the colleges themselves, these outcomes are also a direct result of years of neglect of the colleges and their students.

Isn’t ensuring that more community college students can succeed a societal imperative? While I haven’t heard serious opposition to that goal, I agree with Astin’s charge that elitism is at play. But I am also convinced that one reason some policymakers have been reluctant to seriously consider community colleges is that the solutions to improving student success there haven’t been obvious.

It is easier to reach for ready-made answers, like tinkering with admissions standards or changing tuition policy. While those can be beneficial, they will not, on their own, ensure that more students can complete community college.

For this reason, I celebrate the new attention that is coming to community colleges. Suddenly, in social situations, I observe a new curiosity about them. Friends, after seeing a spot on the evening news or a *New York Times* article, are praising me for focusing on these unsung institutions. Reporters are peppering me with questions. Community colleges are cropping up in newspaper headlines, magazine spreads, legislative proposals, even a new television sitcom, *Community*, on NBC.

The new attention is not a mere accident. Rather, it results from a confluence of forces. In particular, the current economic crisis and job loss have stimulated thinking about how states and regions can re-train workers to prepare them for new industries. As in the case of past recessions, the downturn is bringing more students to colleges’ doors. But this time, the recession’s severity and the intense focus on job creation have cast a brighter spotlight on this traditional workforce preparation role of our community colleges.

At the same time, the rising cost of universities is making community colleges attractive to more students. And even before the recession sent students pouring into community colleges, the cresting of the “baby boomlet” was having its own influence. Some large public university systems that once relied on high school seniors to fill seats had begun getting creative about ways of keeping enrollment up, including through attracting more transfer students.

But that’s not all. For the last few years, a small but growing number of advocates and analysts inside and outside the community college system have underscored the point that the nation’s challenges of postsecondary access and attainment won’t be solved by focusing on AP courses or elite campus admissions alone. Some of their efforts have been foundation-funded. The Bridges to Opportunity program, funded by the Ford Foundation, focused on building a policy agenda in six states for improving opportunities for low-income adults. Achieving the Dream, a multi-college initiative supported by Lumina Foundation and others, helps colleges use data and research to improve the impact of programs and services on lifting student success. And in California, the Hewlett Foundation (my former employer) and the Irvine Foundation have supported numerous efforts to strengthen community colleges from within, and to highlight policies that are most conducive to student success. Still other efforts have grown on their own, outside the limelight and without foundation funding.

Over the last five or ten years, community college champions have successfully begun to challenge the norm and change the conversations in state houses and system offices, newsrooms and board rooms. Last year, the Bill and Melinda Gates Foundation entered the picture, staking perhaps hundreds of millions of dollars on increasing postsecondary completion among low-income young adults. Naturally, this includes a major focus on community colleges. A simple calculus seemed to drive the decision: Anyone wishing to address the root causes of poverty in America could not ignore institutions that serve such large numbers of low-income young people. Though the calculus is not new, it is no longer being ignored.

Community college leaders in general are happy to see “The Community College Guide” in their bookstores. They will cheer the appointment of Martha Kanter, former chancellor of Foothill DeAnza Community College District, as Undersecretary of Education. They will revel in Jill Biden’s decision to continue as a community college English instructor even after her husband was elected Vice President. And they will applaud the Obama administration’s proposed community college initiative, which would pump billions of dollars into their institutions.

Yet, I have noticed that some in the community college world have resisted the new attention. An emphasis on community colleges successfully educating more students requires at least tacitly acknowledging the areas where community colleges fall short of their mission, where they could do more to ensure that students can succeed. After being marginalized for so long, community college leaders understandably feel uncomfortable—vulnerable even—about this scrutiny. Hence there has been a certain ambivalence among community college insiders about the increased attention from policymakers and private funders.

Some among them decry calls for greater accountability, or deny evidence of low completion rates. Spokespeople for this view will challenge foundation representatives, as some did at the recent Association of Community College Trustees meeting, about their focus on improving college graduation. They will argue that not every student is seeking a degree—while not mentioning the degree-seeking students who don’t succeed. They will quibble over denominators, instead of focusing on how to increase the numerator. Sadly, this subset of com-

Until recently, a myopic focus on four-year universities has made it hard to see the real needs of community colleges and their students.

munity college defenders is being just as myopic as those who have ignored them for too long. They are looking at the short-term interests of their colleges (to be *seen as successful*) instead of the longer-term interest of their students (to *be successful*).

To be sure, there are valid concerns about the new emphasis on community college completion. Any goal can create perverse incentives. It is true that not every community college student intends to complete a program. Focusing solely on numbers of completions can obscure other issues, such as quality of learning or racial and ethnic gaps. Prioritizing completion rates could present a threat to access if colleges pursue them by excluding poorly prepared students. It is important to consider such admonitions about the completion goal in order to ensure that any new strategies are well designed to support increased learning, not just to churn out more degrees or curtail access. But none is an argument against efforts to ensure that more community college students can succeed.

I am increasingly encouraged, however, by the growing number of community college leaders who, while acknowledging these cautions, are determined to ensure that the scrutiny yields benefits for their colleges and, most importantly, their students. Being ignored condemned them and their students to a fate even worse than scrutiny. Scrutiny isn't easy, but it offers an opportunity for discovery and change.

Financial aid opportunities for community college students generally remain slim—even though these students often have greater need than university students.

Instead of attacking those who point out areas for improvement, these wise community college leaders are taking up the challenge, working with their colleagues to move beyond ambivalence and defensiveness. Instead of focusing narrowly on seeking more money before any reforms are made, these leaders are pursuing a both/and approach: They are vigorously making the case for more resources while not waiting for those resources to be fully delivered. They are starting the hard job of orienting their institutions to provide better opportunities. This is not easy, because even before the current budget crisis that has hit most of the country,

community colleges in many states were underfunded. But these forward-looking leaders are realizing that the underfunding cannot justify waiting to do better by students.

"The unmistakable fact is that we must improve our public higher education system in fundamental ways," wrote Eloy Oakley, president of Long Beach City College, to all 140-some of his fellow presidents and chancellors in California. Oakley was writing in response to a research study on transfer, exhorting his colleagues to take its lessons seriously, rather than dismiss the message as a "red herring."

"As a former Hispanic transfer student, I empathize with the students...and the barriers they must overcome," Oakley wrote. "We must recognize that to date we have not been successful in providing 'real' opportunities for our underrepresented populations as well as our economically disadvantaged Californians. I do not suggest that my assertion is our fault, but I do suggest that we have a responsibility to improve it. The state of California must make a greater investment in our efforts. However, it is also true that we should not wait for others to change, and [should] do everything we can to make our system more navigable, focused on successful completion, and consistent across all of our 110 colleges. We should also continue to work with our K-12 and public higher education partners to create clear pathways for our students. This is a true systemic problem that affects thousands of students every year, regardless of the state of the economy."

As a participant in the California Benchmarking Project with the University of Southern California's Center for Urban Education, Long Beach City College began several years ago analyzing its student outcomes data, looking especially at equity gaps. In particular, they focused on barriers faced by students looking to transfer to four-year universities, and how the college's transfer center could better assist them. Even though the results weren't perfect, the college's leadership had the courage to be transparent about them, sharing them with their trustees and in several published reports.

Sanford "Sandy" Shugart, president of Valencia Community College in Florida, also exemplifies the new generation of student-success-minded leaders. His college began the hard work of improving completion rates long before that came into vogue, and even before joining the Achieving the Dream initiative. At a community college conference last year, after about a decade of such work, Shugart revealed data showing that his institution had simultaneously improved student success rates while narrowing gaps. As of last year, Valencia eliminated achievement gaps in five of the six courses the college had targeted. Fall to spring retention hit 86 percent, and was even higher for African American students.

Shugart confessed that even he was surprised. "I have been a secret skeptic," Shugart told the audience at the conference. "Deep down inside, I had doubts that we could move the needle. Now I've got hope like I've never had before that the vision of equity can be achieved in the American community college movement."

What was refreshing and insightful about Shugart's approach is that he did not just run through a litany of "best practices"—though Valencia has adopted many practices with evidence of effectiveness. The real key to Valencia's success? "We changed the way we think," Shugart said. "Everything else is details after that. Our job now isn't to find out who's college material and who's not. Now everything raises a question: I wonder what the right conditions are for this person's learning. The college is what the students experience. Nothing more and nothing less. It's not the catalog, it's not the buildings, it's not the curriculum, it's not the bud-

get, it's not even us, as important as we all are."

Oakley, Shugart, and the growing ranks of a bold new cadre of community college leaders, are showing the way, ensuring that policymakers can no longer despair the lack of models and solutions that work for students. Because of them, those looking for proof that colleges *can* move the needle will not come up short-handed. There is a clear message in their work: Ensuring that more students can complete college entails an intense focus on students, their needs, their successes and their failures.

As Valencia and others are showing, changing the way community colleges think about their students is the first step toward changing the way we all think about community colleges. ♦

As a senior project director at WestEd, Pamela Burdman leads research and outreach projects focused on improving postsecondary readiness and attainment. She previously served as a Hewlett Foundation program officer and as a higher education reporter.



Breaking the Affordability Barrier

How much of the college access problem is attributable to lack of information about financial aid?

By Bridget Terry Long

ALTHOUGH there have been substantial increases in college enrollment over the last several decades, access continues to be a serious problem for some groups. According to the U.S. census, among high school graduates in 2004, approximately 43 percent who came from families earning less than \$30,000 immediately entered a postsecondary institution. In contrast, 75 percent of students from families who made more than \$50,000 did so. Rightly so, the barriers most often highlighted by researchers, practitioners, and policymakers as impediments to college entry are costs or affordability and academic preparation.

However, another important culprit that has been increasingly getting attention is information. How much of the college access problem is attributable to lack of information? If students are unaware of the financial resources available to them or the best way to prepare academically for college, then the aforementioned barriers of cost and academic preparation will be made worse by misperceptions, further limiting students.

Unfortunately, research demonstrates that students, particularly those from low-income backgrounds, have very little understanding of college tuition levels, financial aid opportunities, and how to navigate the admissions process. The lack of information among low-income students has important implications for attempts to address the college affordability barrier. For decades, high tuition prices have prompted the federal government, as well as many states and colleges, to create need-based financial aid programs designed to help defray costs for low-income students. However, the existence of a financial aid program alone is not always enough to enable the enrollment of low-income students; the visibility and design of the program also matters.

A recent review of the research on financial aid programs by Susan Dynarski and David Deming underscores the fact that simple and transparent programs appear to be most effective. Similar results have been found in the examinations of other social welfare programs. To reach those in need, particularly among groups who have traditionally lacked good, accurate college information, aid programs must be well-publicized and relatively easy to understand and apply for.

Sadly, that is not how our financial aid system is currently designed. The key issue is that the Free Application for Federal Student Aid (FAFSA), the gatekeeper to all federal aid and most state and institutional resources, is long and cumbersome. The 2008 FAFSA was eight pages long and contained more than 100 questions. To answer three of these questions, appli-

Results of a field experiment suggest that direct help with the application process, and providing better information, could be effective ways to improve college access.

continued next page

from preceding page

cants had to complete three additional worksheets with nearly 40 additional questions. As shown in work by Susan Dynarski and Judy Scott-Clayton, the FAFSA is four times longer than the simplest tax return (i.e., IRS Form 1040EZ), and longer than IRS Form 1040.

Not surprisingly, students and their families are often confused and even deterred by the form. Estimates by the American Council of Education suggest that nearly one million college students who would have been eligible for aid failed to even apply. That estimate does not include the likely millions of individuals who did not enroll in college because they did not know about the aid they were eligible to receive.

Many have long acknowledged the problems with the current FAFSA. Several reports by the Advisory Committee on Student Financial Assistance and the federal Commission on the Future of Higher Education highlight how the FAFSA serves as a barrier. However, a key question has been, what form should simplification take? Moreover, will making such changes really improve the outcomes of students? Are lack of information and too much complexity really the underlying problems? Several years ago, working with Eric Bettinger, Philip Oreopoulos, and Lisa Sanbonmatsu, I embarked on a project to investigate these issues.

The goal of our project was to target students who are likely to have little information about financial aid and college costs, and who may have difficulty navigating the financial aid process. To provide assistance to such families, we worked with H&R Block, an accounting firm that provides tax assistance to primarily low- and moderate-income families.

Working with 156 offices in Ohio and North Carolina during the 2008 tax season (January to April), we screened for clients who had family incomes of less than \$45,000 and a family member between the ages of 17 and 30 who did not already have a bachelor's degree. After the clients completed their taxes as they normally would, our software checked for eligibility, and among those meeting the criteria, the H&R Block tax professional asked them (and their legal parent or guardian, if necessary) to complete a Statement of Informed Consent. Once consent was secured, we randomly assigned individuals to one of three groups.

Group One received assistance with the FAFSA and personalized aid eligibility information. This entailed first pre-populating the FAFSA using the tax return just completed in the office. Then, we designed a streamlined interview protocol that asked the remaining FAFSA questions. These questions included information about parental education, educational goals, the number of children in the household currently attending college, and other forms of income such as child support. The software then computed the amount of financial aid the client was eligible to receive from the federal and state governments, and it explained these numbers in simple language, along with information about tuition costs at four local colleges. The tax professional then offered to submit the FAFSA to the U.S. Department of Education (DOE) free of charge.

Group Two also received personalized aid eligibility estimates, which were calculated based on the tax return just submitted, and local tuition cost information. However, while the family was encouraged to complete the FAFSA form, no help was given.

For Group Three, we provided a booklet that had very simple information about the importance of college and basic facts about financial aid programs. This information is readily accessible and is unlikely to affect participants' behavior. As such, this group is our key comparison group for determining the effects of the other interventions. Because the participants were put into the groups randomly, on average their characteristics and motivations are the same, and comparing their outcomes gives us evidence on the effects of simplifying the FAFSA and giving personalized aid information.

The year following the experiment, we tracked the progress of participants using data from the DOE and the National Student Clearinghouse, a national database with college enrollment information.

Although we are not the first to propose simplifying the financial aid process by using tax data, we are the first to do a large-scale test of whether the model is viable and whether such interventions would affect student outcomes. However, it is first worth emphasizing that the implementation of the experiment alone provided valuable lessons. By helping nearly 17,000 families during the 2008 tax season, we demonstrated that it is not only possible, but likely efficient, to use tax data to simplify and shorten the time it takes to fill out the FAFSA.

On average, meetings with families took only about eight minutes, and that included introducing the project, explaining and getting consent from the family, asking several questions about the family's background and perceptions of higher education, and then providing the intervention by helping them fill out the FAFSA. Additionally, our project demonstrates that there is a real demand among low- and moderate-income families for more information. Among eligible families, 52 percent expressed interest in learning more about higher education.

Even we were surprised at just how large an impact our interventions had. Our analysis suggests that pre-population and assistance with the FAFSA has a substantial impact on the likelihood of submitting an aid application. In comparison to the control group (i.e., Group

The existence of a financial aid program alone is not always enough to enable the enrollment of low-income students; the visibility and design of the program also matters.

Estimates by the American Council of Education suggest that nearly one million college students who would have been eligible for aid failed to even apply.

Research demonstrates that students, particularly those from low-income backgrounds, have very little understanding of college tuition levels, financial aid opportunities, and how to navigate the admissions process.

Three), the likelihood of submitting a FAFSA increased by 39 percent for high school seniors who had received help with the application (i.e., Group One). Among the older participants, FAFSA submissions increased 186 percent for those who had never been to college, and 58 percent for those had previously attended college. More importantly, providing help with the FAFSA and personalized information about aid increased college enrollment rates the following fall. College attendance increased 30 percent among high school seniors.

To put this in perspective, the size of this result is similar to that experienced with the introduction of the Georgia Hope Scholarship, which initially gave students with a B-average in high school a \$3,000 grant. To get this same result, we did not promise more aid—instead we simply helped families get the aid that is already available to them. Among young adults already out of high school, college enrollment increased 20 percent, with particularly large results for those with annual incomes less than \$22,000. Group One members were also more likely to receive a federal student grant and more financial aid overall in comparison to the control group. These results suggest that direct help with the application process, and providing better information, could be effective ways to improve college access.

The DOE has already taken several important steps to simplify the FAFSA. In June 2009, the DOE announced that starting this January, a pilot program will link the FAFSA to IRS data for renewal students. In addition, the online version of the FAFSA now uses skip logic to eliminate questions that do not apply to some students, and it also gives students instant estimates of Pell grant and student loan eligibility.

Will this improve things? Absolutely. Our results clearly show that the applications were done more efficiently by using information from an IRS tax form. After pre-populating the form, for many families, the remaining questions are relatively straightforward and easy (e.g., gender, citizenship, veteran status, state of legal residence, parents' education, intended degree, phone number, and driver's license number). This substantially reduces the time necessary to complete a financial aid application, and it improves the accuracy of the information submitted. Colleges and universities are also excited about this development. With information coming straight from the IRS, there is less need to the institutions to do income verification, which can be a serious drain on staff time and resources.

However, there is still more that could be done. Our FAFSA intervention did more than just pre-populate the tax form. We gave additional assistance to complete the application using our automated software, which prompted the tax professional to ask specific questions, and we made it easy for families to submit their completed applications to the DOE. In addition, we addressed the issue of low visibility by reaching out to families in their communities. We also dealt with the issue of misinformation by providing accurate and personalized information about aid eligibility and local college costs.

Another problem with the current system is that many students miss the deadline for state and institutional aid programs by filing too late (after April 1). In our study, participants filed their applications significantly earlier than those in the control group: more than one month earlier for the high school seniors, and almost three months earlier for the adults. While current DOE efforts are a step in the right direction, families will need more assistance from governments, schools and community organizations to address all these concerns. Eric Bettinger, Phil Oreopoulos and I are currently developing ways to expand our project to do just that.

Thinking longer term, one could imagine a revised FAFSA that ideally does not even ask the applicants the income questions, because the data match with the IRS could occur in the background. Better communication between the Treasury Department and DOE in terms of sharing information could significantly cut the number of necessary elements on the FAFSA that are visible to students. Such an arrangement would also make it much easier for schools and community organizations to develop awareness and assistance programs that could help families to fill out and submit the form. Parents would no longer need to have their tax returns handy in order to fill out the FAFSA, meaning that many would be able to complete the form while attending a high school college information night or other school event.

While our experiment underscores the benefits of simplification and assistance, participants who were only given information about aid without help with the FAFSA did not have higher application submission rates than those who did not receive any help. This suggests that simply informing individuals about their aid eligibility does not significantly improve college access. Instead, the real barrier is the form's complexity and navigating the submission process.

It is important to note that our project focused on providing particular types of information to students at the end of high school or afterwards. These results are not indicative of efforts to provide information and increase awareness among younger students. In fact, in continuing analysis, we are tracking a set of families who were given personalized aid eligibility estimates based on their incomes when their children were only high school sophomores or juniors. In future years, we hope to have results on whether this earlier information had an impact on whether these students did more to prepare for college academically (i.e., taking more college preparatory courses and the SAT or ACT), and if they were more likely to submit an application for federal student aid. ♦

Bridget Terry Long, Ph.D., is professor of education and economics at the Harvard Graduate School of Education. (More information about the project can be found at www.nber.org/papers/w15361.)

NEW YORK

from page 1

get \$2,675 from the state for every full-time equivalent community college student they sign up. Like public universities in many states, they are increasing both enrollment and tuition to compensate for falling state support.

What's happening in public higher education in New York, whose dual public university systems are the nation's second and third largest (after the California State University system), is an extreme example of what's happening to public higher education all over America. Public universities are among the first to be cut when government revenues get tight, making state allocations and tuition unpredictable and inconsistent, and shutting out poor and, increasingly, middle-class students who don't meet income cutoffs for financial aid.

New York tends not to raise tuition when revenues are steady, because that would trigger a dog-chasing-its-tail increase in the cost of its self-adjusting state financial aid program. But when times get tough, tuition rises sharply anyway—28 percent in 1995, another 28 percent in 2003, yet another 15 percent this year. Funding for public higher education in New York “is like a drunken sailor lurching from lamppost to lamppost,” one insider said. “The state waits till things get really bad. Then, when no one can afford it, it raises the price.”

There are other ways that problems in New York mirror those in other states—although, as with so many things, what happens in New York seems that much more dramatic. At a time of dwindling resources, some SUNY campuses are chafing to expand and add attention-grabbing research, while CUNY plans a research center that faculty say will shortchange students in the name of institutional prestige.

Campuses are so overloaded that there aren't enough seats in required courses, meaning getting a degree takes longer—costing students, and the state, still more.

“That's the last thing hard-pressed New York families need right now—families who planned financially for four years of college for their kids, not five,” said Phillip Smith, president of United University Professions, the SUNY faculty union, and himself the parent of a SUNY student. Only 30 percent of CUNY community college students earn a degree or transfer within three years, although that is better than the dismal national average of 25.7 percent.

Even as demand soars, the state allocations for CUNY and SUNY budgets have plummeted by more than \$400 million. Per-student funding has declined for four straight years. When New York's \$1.2 billion share of federal stimulus money for education arrived, all but a meager \$35.4 million of it was given to schools that teach kindergarten through grade 12, thanks to a complicated education funding formula imposed on the state by the courts. And of every dollar collected from the double-digit increases in tuition, 90 cents went not to the universities, but to plug holes in the state's general fund, doing little to help accommodate the spiraling demand for higher education. Even that was a compromise pushed by an embattled governor past a General Assembly that hoped to dodge the blame for inevitable cuts and cost increases in a state where, by spring 2009, revenues were down an almost inconceivable 36 percent from the previous year. They could have taken all the proceeds from tuition if they'd wanted to—and, in the past, they have.

New York's tuition increases are nothing less than a tax on students, critics say. “We call it the SUNY tax,” said Maria Davila, a 21-year-old senior majoring in political science at SUNY New Paltz, a crowded maze of chain-link fences circling construction sites, where dorm rooms built for two are now housing three students apiece, after 200 more freshmen than expected showed up last fall.

Almost none of the money actually goes to higher education. “Forget the millionaires,” editorialized the *New York Daily News*. “The people who have been sucker-punched the hardest under New York's bloated, irresponsible budget are the families whose children are enrolled in the state universities.” And while the cost of attending CUNY and SUNY might be higher, what students get for their money are courses that are harder to get into, cuts in programs, and services that have vanished or are thinly stretched under the weight of surging enrollment. CUNY has half as many faculty as it did in the 1970s, the last time enrollment was this high. SUNY has cut staff, imposed hiring freezes, and increased its reliance on adjuncts.

“Classes are packed. You're shut out. You have to wait up at night and pray for somebody to drop,” said Jermaine Morris, 23, a student at Borough of Manhattan Community College who has been working for three and a half years toward an associate's degree that should have taken two. “I was supposed to graduate last semester, but couldn't get the classes I needed.” Morris hopes to even-



ROBERT HOUMAN, BLACK STAR, FOR CROSSTALK

“For some students, a few hundred dollars is the difference between making it and not making it,” says Deborah Glick, a graduate of CUNY's Queens College who chairs the New York General Assembly's higher education committee.

tually transfer to a CUNY senior college to get a degree in civil engineering, but he started at the community college because it was comparatively cheaper. So much cheaper that, while Morris can't wait to get out, some students say they plan to stick around even after getting their associate's degrees, in order to pile up more transfer credits at community college rates, only worsening the crowding.

The competition is getting tougher, too. Last year, as a joke, someone at private New York University posted a phony flyer suggesting students transfer to CUNY to save money. It's no longer a joke. The number of applicants to CUNY from the New York City suburbs jumped by nearly 20 percent this year, and from outside New York State by 12 percent, evidence that families are now picking “financial safety schools”—more often than not, public universities—based not on their children's likelihood of getting in, but on their ability to pay.

SUNY saw a 20 percent jump this year in applicants from out of state. Officials speculate that these are students who might once have gone to Ithaca or Fordham, but whose families can't swing private university tuition. SAT scores and high school grade point averages of entering students rose significantly this fall. At SUNY Stony Brook, the average SAT score of the middle 50 percent of applicants was 20 percent higher this year than last. At New Paltz, near the storied town of Woodstock, the entering grade point average has climbed from 85 to 92, and the average SAT score from 1100 to 1160 in the past decade. “We used to be an artsy, hippie school, but now it's all really smart, collegiate, stuffy people who are majoring in economics,” Davila said. “The people who are gone are the ones who didn't get very good grades in high school and couldn't afford to hire SAT tutors.”

It's not just Stony Brook and New Paltz. SUNY campuses are “getting smarter kids, and kids with more means,” said Michael Trunzo, the system's vice chancellor for government relations. “It's a pocketbook issue.” They are threatening to squeeze out others for whom public universities like CUNY and SUNY, with their legacies of serving ethnic and racial minorities and urban and

rural families, were set up to serve.

“The schools are pleased that they've been able to—quote, unquote—raise standards,” said Deborah Glick, a graduate of CUNY's Queens College who chairs the General Assembly's higher education committee. “But who gets left out are people who are more marginal, those who have had some additional struggles. Then they raise tuition. For some students, a few hundred dollars is the difference between making it and not making it.” Added Smith, “We're seeing a state that is not taking responsibility for what it created.”

In fact, even before the most recent cuts, state aid per student to SUNY fell by five percent, and to CUNY by 14 percent, when adjusted for inflation, according to the independent Fiscal Policy Institute. Since 1991, the proportion of the SUNY budget underwritten by the state has fallen from more

Campuses are so overloaded that there aren't enough seats in required courses, meaning getting a degree takes longer—costing students, and the state, still more.

than 42 percent to less than 33 percent. “That's not a smart economic strategy, and it's not good stewardship of two of the country's great systems of public higher education,” said David Kallick, a senior fellow at the institute.

Then again, SUNY, for its part, had no official stewardship at all for two years. That's how long it went without a chancellor before the appointment of Nancy Zimpher, former president of the University of Cincinnati, who took office on June 1. And it shows the importance to public higher education of something else: leadership. During its time without it, SUNY suffered \$200 million in state cuts. The chaos was exacerbated

continued next page

NATHANIEL BROOKS, BLACK STAR, FOR CROSSTALK



“We need to do a better job of educating people,” says Phillip Smith, president of the SUNY faculty union. Campuses are so overcrowded that there aren't enough seats in required courses.

from preceding page

by the resignation of Governor Eliot Spitzer, a higher education booster, after revelations that he had patronized prostitutes.

Spitzer was not around to implement the recommendations of a commission on higher education he had named, the first in New York in more than 30 years, that called for 2,000 new full-time faculty and billions of dollars in new investment. He wasn't there to follow through on his plan to establish a \$4 billion endowment fund for CUNY and SUNY, either. (He had held a conference call with university administrators about the proposal just a day before the scandal broke.)

Spitzer's successor, David Paterson, by contrast, has been too busy reacting to the budget crisis to advocate for higher education, or much of anything else.

Zimpher started her job with a tour of all 64 SUNY campuses—7,507 miles over 95 days, by land, sea and air—dropping hints here and there about her plans. She said she favored offering four-year degrees at SUNY's community colleges, for instance. But hired in part on the basis of her reputation for strengthening marquee research at the University of Cincinnati, she also said the more immediate priority was to teach and to conduct the kind of research that could translate into commerce. "Academics see themselves as citizens of the world," Zimpher told one campus audience. "They seek national and international recognition for their work. But the greatest pathway to national and international recognition is to serve your state."

It was an important declaration. Like

New York's community college tuition rose again this year to help fill ever-worsening multibillion-dollar state revenue shortfalls that have resulted from the deep recession.

many public universities around the country, several SUNY schools are anxious to expand the research they conduct, even at a time when there is almost no money to do it, and when other states have added programs and entire campuses they now find they can not afford. The most ambitious is the University of Buffalo (wary of the SUNY brand after years of underfunding for the system, it, like Binghamton and other campuses, prefers to drop the "SUNY" from its name), which has proposed adding 10,000 students and 2,300 staff in a quest to become a nationally ranked research university by 2020. A bill introduced by its legislative delegation would have given Buffalo the right to pay for this by raising its tuition independently of the other SUNY campuses, which all now charge the same amount. The idea was met immediately with demands from the SUNY universities in Albany, Binghamton and Stony Brook that they be allowed to do so too.

During her visit to Stony Brook, Zimpher said that was okay by her. The research universities, after all, now have to get by on

the same tuition as smaller teaching campuses. But in an interview back at her desk in Albany, the chancellor cautioned that the desire to do research "sometimes blurs the recognition that public universities were created to serve their communities. We have to reexamine the traditional definition of our mission," she said. "The investment in high-end research provides the jobs for which we are producing graduates. It's not an either-or." The best way for SUNY to win global recognition, Zimpher said, is by helping New York rebound from the recession.

That is the very practical message New York's higher education interest groups hope will bring back their support. Highly educated and well supplied with universities of all types, New York is nonetheless a distant 39th among the states in spending on public higher education. "I don't know why there isn't more voice to the constituents of higher education," Zimpher said. "I know it's there. How could you have half a million students (at SUNY), 2.4 million alumni and all their families, and not have advocacy for public higher education?" The practical answer, she acknowledged, is competition for state funding with such mandated services as health and prisons.

But universities create jobs and workers that can help New York solve the very budget problems that got it into this mess. "This is a time to invest, oddly enough," Zimpher said. "The only way we're going to grow our way out of this situation is to invest in higher education. No other business in the world would starve the growth sector in the process of feeding these mandates."

On this point, the faculty union brass agrees. The union's new motto: "SUNY is the Solution." It is pushing members to drag business and political leaders onto their campuses and show them, close up, what they are doing. "We can no longer live in the world we used to. We need to do a better job of educating people," Smith said in his office outside Albany. In the parking lot, a handwritten sign warned of hornets' nests on a day the headline in the *Albany Times-Union* read, equally ominously, "Paterson Warns of More Red Ink." Smith acknowledges some pushback. "Our faculty tend to be rather aloof and don't really view themselves as an important cog in the economic engine," he said. "We've found a certain resistance."

Faculty at CUNY are even involving themselves in fundraising, which the system has promised the governor and legislature it will step up, under what it calls the CUNY Compact, a bid for greater and more stable state support. Already, CUNY has raised more than \$1.2 billion toward a goal of \$3 billion by 2015. It claims \$40 million from efficiencies including energy savings and an end to direct-mail advertising. SUNY has consolidated telephone and electricity contracts and information technology. And both schools practice the kind of collaboration higher education reformers push, by teaming up with Columbia, NYU and other research institutions in the New York Structural Biology Center, collectively underwriting the expensive facilities and faculty required for study in such areas as structural genomics.

But CUNY also plans its own new center to house research in hot, grant-generating fields including photonics, nanotechnology and neuroscience—something not all of

its science faculty necessarily support. "One of the concerns the science faculty has voiced to me is that the resources will follow that center, and the already crowded and cramped labs in a college campus in, let's say, Queens, that those conditions will become even worse as the resources get diverted," said Barbara Bowen, head of the CUNY faculty union. Jay Hershenson, CUNY's senior vice chancellor for university relations, responded, "The quality of a university, at the end of the day, is a function of the quality of its faculty. And you must have excellent opportunities for research. A great university must have great research."

What it also must have, most involved agree, is a more rational, regular system of tuition increases and budgets. "New York allocates funds for construction over a five-year period. Why can't we do that with tuition?" Zimpher asked. One proposal

would tie future increases to the higher education price index. Another would let schools make "modest" and "predictable" annual tuition increases on their own—something that now requires legislative action—and charge tuition that could vary by program and by campus. CUNY, too, seeks more predictable tuition hikes, in part because it is assumed that this is something New York's beleaguered students would support.

But upstate at Hudson Valley Community College, which is part of the SUNY system, that does not entirely appear to be the case. At this campus in the northwestern New York town of Troy, a onetime steel town a fifth of whose residents live below the poverty line, the crowding manifests itself outside the walls, where there is a sea of cars. Cars spill over from the parking lots, jump curbs, block sidewalks, and sprawl across the grass.

Just days earlier, President Barack Obama spoke at this school about his goal of restoring the country to first in the world in the proportion of college graduates by 2020.

On the walls here, too, among the notices about the pep band and the Frisbee club, are posters about how to apply for food stamps. There's a student-run food bank. In his office, where a picture of Obama hangs prominently, Clifton Dixon, president of the student government, said that times are tough. "We're proud to have record enrollment, but if they continue to raise tuition, a lot of people won't be able to afford it," said Dixon, who returned to college 13 years after dropping out of high school and hopes to go to law school. "I've never heard any student, nor do I think I ever will, say, 'Please raise my tuition.' You



The best way for SUNY to win global recognition, says Chancellor Nancy Zimpher, is to help New York rebound from the recession. "The only way we're going to grow our way out of this situation is to invest in higher education."

can't pay more of what you don't have."

Taking time out from preparing for a protest against the budget cuts, CUNY's Barbara Bowen pondered where the students who can't afford the public universities—or can't get in—have gone. Many, she said, are opting for the private, for-profit programs, and are requiring high-priced loans of the type that advertise on subways, buses and late-night TV. "Or they are simply not going to college at all," she speculated. "They have had obstacles placed in

Like public universities in many states, CUNY and SUNY are increasing both enrollment and tuition to compensate for falling state support.

their path since day one, and once further obstacles were put in their path, they just couldn't do it."

Those who do go to college, said Bowen, "have the constant experience of having to fight to get their education. It takes a heroic effort when you have to line up for everything, squeeze into a class, hope you can get time with your professor. That's a betrayal of students who have been led to believe that college is an opportunity for them. The experience of college should not be every day having to fight for a seat in class." ♦

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