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## **Defying National Trend, U. of Florida Announces Broad Faculty Raises**

*By Paul Fain*

Despite struggles with years of budget cuts, the University of Florida announced on Friday a broad package of pay raises for faculty members. The 4-percent merit raises buck a national trend of wage freezes at public universities and are possible, university officials said, because Florida tapped federal stimulus money to cut costs through buyouts and retirement payments.

"We used stimulus funding to reduce our budget," said J. Bernard Machen, Florida's president.

Most public universities have seen stagnant or dwindling state contributions over the last two years, and stimulus money helped to avert even deeper cuts. A [recent study](#) by the State Higher Education Executive Officers found that state appropriations for higher education across the nation were down 1.1 percent in 2010, but would have been slashed by 3.4 percent without stimulus funds.

Many universities used the federal money to plug gaps in their operating budgets. But some, like Florida, spent the money on buyouts and other trims to recurring expenses.

Paul E. Lingenfelter, president of the higher-education officers' group, called Florida's use of stimulus money a "good strategy." He said other universities had taken similar approaches, including Metropolitan State College of Denver and the Minnesota State Colleges and Universities system.

Mary Ann T. Ferguson, the incoming chair of Florida's Faculty Senate, called the university's budget strategy "forward thinking." Ms. Ferguson, a public-relations professor, said the raises would "help with faculty retention and morale, as well as recruiting."

## Lean Years in the Sunshine State

Money woes began earlier in Florida than in most other states, largely because of the state's dependence on property taxes amid a catastrophic housing slump. At the flagship University of Florida, [budget cuts began three years ago](#). Mr. Machen said the state's base contribution had been cut by 22 percent, or about \$140-million.

Professors have received only one raise over the last three years—3 percent two years ago. That drought ended with the salary increases announced on Friday. The university also granted 3-percent raises for staff members, an increase in its minimum wage (now \$9.75 an hour), and an across-the-board raise of 3 percent for all eligible graduate assistants. Most of the raises will be effective on July 1.

The faculty raises can be larger than 4 percent, Mr. Machen said, because the university offers 9-percent pay increases for promotions.

In addition to buying out professors over the last two years, the university trimmed its undergraduate enrollment by 2,000, to about 34,500. Most universities lose money on each student because the cost of instruction typically outpaces tuition and government support. This is particularly true in Florida, where tuition and fees are among the nation's lowest—roughly \$4,400 at the University of Florida. Now the university, which Mr. Machen said had become "supersized," is a little smaller.

The state's Legislature also gave Florida and other public universities leeway in tuition increases. The university may charge up to 15 percent more each year until tuition and fees reach the 2009 national average of \$6,900 for research universities.

That new tuition revenue will help Florida retain professors when the stimulus money runs out, Mr. Machen said. Florida, like other flagships, has struggled to thwart faculty poaching by private universities or by public institutions in other states, like Texas, with better budget outlooks.

"We have lost some people," said Mr. Machen, although the damage has not been severe.

Florida is hiring, however, thanks again to the stimulus money. The university set aside \$10-million for new hires this year and hopes to land 100 new tenure-track professors. Those salaries will be covered by the new tuition money.

Mr. Machen said he hoped Friday's announcement on raises would be a much-needed morale boost. He praised faculty and staff members for working through the budget gloom, and said the raises were part of "fulfilling my side of the bargain."

Florida's Board of Governors has released budget projections that show the state's budget coffers recovering by 2013, but to levels still well below the peak year of 2006. Even so, Mr. Machen said, "we're not counting on the state" for bigger future contributions. Instead, the university will continue to rely on tuition increases and an emphasis on "value-based" budget planning.