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Are Bright Future scholarships going to the right students?

By Michael Vasquez

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Florida's Bright Futures program began as a way to keep the state's smartest students from attending college out-of-state — driven by fears they might never return. To prevent this “brain drain,” high-achieving students were given thousands of dollars a year toward tuition costs. More than a half-million students have benefited so far, and Bright Futures is enormously popular with both politicians and parents alike.

The money is awarded regardless of family income.

Now, Bright Futures' future direction is a little cloudy as state lawmakers look at ways to ratchet back the benefits amid flattening lottery revenues and the loss of stimulus dollars used to shore up the fund last year.

One proposal, in the Florida Senate, would reduce the size of the scholarships by \$1,000. Another, in the House, would raise the minimum SAT score needed to qualify by about 200 points.

Taking another tack, some critics are suggesting that the scholarships be based at least partly on need.

A recent Florida Department of Education analysis of income data for Bright Futures recipients found as many as 56 percent of them may not have financial need.

“I have a lot of very rich wealthy friends who are having their kids get a free ride in college as a result of this,” said Miami Dade College President Eduardo Padrón. “That is wrong.”

A SKYROCKETING EXPENSE

Like the cost of a college education, the cost of Bright Futures has skyrocketed — from an initial price tag of \$70 million in 1997 to \$437 million today, making it easily the state's most expensive student-aid program.

Bright Futures awards are generally funded by lottery money, as opposed to tax dollars, and can't be diverted into the state's general budget to shore up deficits there.

The program gets just a slice of every lottery dollar, not the whole pie. Lottery revenue is also funneled into K-12 schools, school construction bonds and community colleges. And of course, there are lottery prizes to pay out.

Theoretically, if the state decided to spend less on scholarships, it could spend more on those other educational areas.

With the growth of Bright Futures over the years, the college scholarship program was draining a greater share of those Lottery dollars. Last year, the expense was so high, the state had to dig into stimulus money and other one-time revenues to plug the roughly \$100 million hole.

Defenders of Bright Futures, as it currently operates, say the scholarships were never meant to be need-based. The awards were designed to boost overall college attendance and to keep Florida's best students close to home, said state Sen. Evelyn Lynn, an Ormond Beach Republican who heads the Senate's higher education appropriations committee.

"We have more students than ever going to college, and we also have more students staying in Florida," Lynn said. "So those two have been accomplished."

At the selective University of Florida, qualifying for Bright Futures is almost automatic — about 93 percent of incoming freshman get the award.

The average household income for UF students: a little over \$100,000. UF's in-state tuition is \$5,020, with room and board and other costs boosting the total annual bill to \$18,380.

At Miami Dade College, tuition is thousands of dollars cheaper, yet a much higher percentage of students struggle to pay the bill. About 61 percent of MDC students are low-income, and almost a third work 35 hours or more per week while attending school. A key reason such long hours are necessary: need-based grants and loans aren't enough. Even after receiving financial aid, a 2003 state of Florida study found that 96 percent of Miami Dade College students still had unmet financial need.

Padrón, the MDC president, advocates using a sliding-scale methodology with Bright Futures, which would award more money to families with the greatest need. But state lawmakers have, at least thus far, consistently rejected adding any sort of income criteria to the scholarships.

Across the country, lawmakers in other states are also wrestling with how to control the costs of their merit scholarship programs. Georgia was the first state to launch such a scholarship in 1993, and its HOPE scholarship program is still the nation's largest. In a HOPE overhaul approved by Georgia lawmakers last month, the state considered limiting the award to families making \$140,000 a year or less, but instead opted to reduce the dollar value of the scholarship.

POLITICALLY DICEY

Tinkering with Bright Futures is dangerous territory for Florida politicians. Middle-class families — a key, active, voting bloc — are among its most vocal supporters. Those families often don't qualify for need-based aid, yet struggle to absorb college costs.

Delareise Joiner and her husband earned a combined \$87,000 last year, but the Miami Gardens resident says she's far from wealthy.

"I consider myself making ends meet," said Joiner, whose son, Dell, is a senior at Miami Carol City Senior High School and has the grades and test scores to qualify for Bright Futures. Though the scholarship's beefed-up requirements haven't disqualified her son, Joiner said altering the award criteria amounts to dangling a carrot in front of teens, and then yanking it away.

Joiner said she could support a sliding scale for the awards, one that gradually reduced the amount for higher earners, in exchange for test score requirements being kept as is.

Others argue that income should not be a factor at all.

Florida International University senior Stefanie Aguilar says her parents aren't poor, but they aren't wealthy enough to contribute to her schooling.

Thanks to Bright Futures, along with money earned at a part-time job, Aguilar says she has been able to avoid borrowing student loans, and is on the cusp of graduating debt-free. Bright Futures should be kept as is, she says — not skewed toward needy families.

"There's already a lot of grants and monetary aid for those people, so it should be based more on grades," Aguilar said.

For the most low-income students, there are federal Pell grants, which top out annually at \$5,500; for households considered middle class there is the American Opportunity Tax Credit, which provides up to \$2,500 for individual students making up to \$80,000 (or couples making up to \$160,000.)

CORE MISSION

The terms "middle-class" and "financial need" can be fuzzy in the world of college math. A couple earning \$50,000 with one child might be ineligible for Pell grants, but a couple with three children and the same income might receive Pell dollars.

While middle-class families may feel they're being squeezed more than poor families, statistics show that "just isn't true," said financial aid expert Mark Kantrowitz. Poor students tend to borrow more frequently, and heavily, than other students, Kantrowitz said.

And, according to Paul Lingenfelter, president of the Colorado-based State Higher Education Executive Officers association, research has shown that aid to needy students significantly boosts both college participation and graduation rates. Students from wealthier families are a near-lock to attend and graduate college anyway, so financial incentives don't move the needle much.

“It makes a difference whether or not they need the money,” Lingenfelter said. “If they need the money and they don’t have it, they’re not likely to participate and continue.”

Attracting top students to Florida schools, regardless of income, has been at the core of Bright Futures. In that mission, there has been documented success.

A 2003 state of Florida study found that the percentage of high school graduates attending an in-state college jumped from 52 percent before Bright Futures to 61 percent several years into the program.

At New College of Florida in Sarasota — the state university system’s honors college — the rise in in-state students has been even more dramatic. Before Bright Futures, the 825-student liberal arts college was split about 50-50 between Florida undergrads and out-of-state students. Now, about 80 percent of students come from Florida, according to Mike Michalson, school president.

BRAIN DRAIN

Yet when it comes to the “brain drain” concerns that sparked the creation of Bright Futures, Michalson notes that another way to combat brain drain is to lure other states’ brightest students, which New College used to do more. Once in Florida, those out-of-state students often stayed here for good, he says.

“Quite frankly, we’d rather be closer to that 50-50 number,” Michalson said. “It makes for a more diverse student population.”

So who are the lottery players who support Bright Futures through their millionaire dreams? More than a decade ago, University of North Florida professor Mary Borg decided to find out, while also researching the makeup of scholarship winners.

What she found: lottery players tended to be poor, uneducated, and minority, while Bright Futures recipients were more likely to come from college-educated, upper-income, white households. In a report she co-authored, the phenomenon was called “a reverse Robin Hood effect.”

Though UNF President John Delaney shared the report with state lawmakers, the response was a collective shrug, Borg recalled.

“Unfortunately, there hasn’t been any reaction except ‘Well, yeah, we knew that,’” Borg said.

Read more: <http://www.miamiherald.com/2011/04/02/v-print/2147312/are-bright-future-scholarships.html#ixzz1IrLHThHw>