

**State University System  
Education and General  
2015-2016 Legislative Operating Budget Issue  
Form I**

<b>University(s):</b>	<b>UF submitting for All</b>
<b>Work Plan Issue Title:</b>	<b>Bright Futures Scholarship for the Summer Term</b>
<b>Priority Number</b>	
<b>Recurring Funds Requested:</b>	<b>\$32M of Lottery funds Bright Futures savings</b>
<b>Non-Recurring Funds Requested:</b>	
<b>Total Funds Requested:</b>	<b>\$32M of Lottery funds Bright Futures savings</b>
	<b>(Actual funding need to be determined when data is analyzed)</b>
<b>Please check the issue type below:</b>	
<b>Shared Services/System-Wide Issue</b>	<input type="checkbox"/>
<b>2014-2015 Non-Recurring Issue</b>	<input type="checkbox"/>
<b>New Issue for 2015-2016</b>	<input checked="" type="checkbox"/>

**I. Description** *(Describe the service or program to be provided and how this issue aligns with the goals and objectives of the strategic priorities and the 2014 Work Plan established by your institution. Include whether this is a new or expanded service/program. If expanded, what has been accomplished with the current service/program?)*

**Background:** State policy-makers have consistently expressed desires to increase student graduation rates, to reduce student debt, and to increase classroom usage during the summer term. Graduation rate is one of the key performance metrics included in the Board of Governors Performance Funding Model and is also articulated in the metrics specified in section 1001.7605, F.S. which reference the Preeminence statutes. In addition, universities are aggressively looking for ways to reduce the educational costs borne by students. Finally, the Office of Program Policy and Governmental Analysis (OPPAGA) has undertaken several studies, in recent years, related to classroom utilization and has issued calls for increased classroom utilization, an issue which universities monitor very closely. Universities are trying different models to maximize the use of space including the summer term experience. For example, in 2011 the University of Florida was granted the authority to implement the Innovation

Academy as a pilot spring/summer term program, section 1009.215, Florida Statutes; this program has proven to be a success. In addition, in 2013, the University of Florida was authorized to establish the On-line Institute for the purpose of expanding opportunities for students to earn a baccalaureate degree solely on-line, section 1001.7065(4), Florida Statutes which has the impact of reducing space needs. The law, creating UF Online provides for rolling admissions for students and coursework can be taken at any time during the year, which results in a different issue for these students. Under current administration of the scholarship, and depending on when a student initially enrolls in "variable-terms" for on-line coursework, that student may not be eligible for full funding; this could have a negative impact on student progression and graduation rates.

Providing students a financial incentive to take additional coursework during the summer term could impact all three of the goals listed above which are: 1) increase graduation rates; 2) reduce student debt; 3) increase classroom utilization in the summer. This could be accomplished by retaining the projected available funding in the Educational Enhancement Trust Fund before disbursement to other educational entities as authorized in 1009.53 (4), F.S. which states, "Funding for the Bright Futures Scholarship Program must be allocated from the Educational Enhancement Trust Fund and must be provided before allocations from that fund are calculated for disbursement to other educational entities." The estimated available funding would be utilized for summer term enrollment awards to eligible students as authorized in s. 1009.53(9), F.S. which states, "A student may use an award for summer term enrollment if funds are available." Pursuant to this section of law and recent history, only two state budget cycles have contained funding for students during the summer semester. Those fiscal years were: FY1999-2000 and FY2000-2001. In addition, section 1009.53(5), Florida Statutes, provides that "The department shall issue awards from the scholarship program annually. Annual awards may be for up to 45 semester credit hours or the equivalent. "

**Funding Requested:** In recent years, and as a result of increased eligibility requirements for students, funding for the Fall and Spring Terms has declined. In March 2014, the Office of Economic and Demographic Research (EDR) projected that \$32M of the 2014-15 appropriated for Bright Futures would not be needed in 2015-16 as a result of the increase in student eligibility requirements; a reduction from the 2014-15 appropriated amount of \$266.2M to \$234.1M. The purpose of this issue is to begin a conversation and to establish funding to be provided for Bright Futures Scholarships for the entire calendar year. This commitment will allow students to earn a degree at an accelerated pace, which in turn provides for increased graduations rates, reduced student debt, and improves classroom utilization. Specifically, the request is that the legislature

appropriate the available lottery revenues, as projected by the Bright Futures estimating conference produced from increased student eligibility requirements, in the Bright Futures Line Item appropriation #6, and to allow for annual payments of the scholarship beginning with the Fall 2015/Spring 2016/Summer 2016 Terms.

**Table 1: NUMBER OF BRIGHT FUTURES STUDENTS TAKING COURSEWORK IN THE SUMMER TERM**

**II. Return on Investment** *(Describe the outcome(s) anticipated, dashboard indicator(s) to be improved, or return on investment. Be specific. For example, if this issue focuses on improving retention rates, indicate the current retention rate and the expected increase in the retention rate.)*

It has been proven that well-educated persons have increased earning power; decreased unemployment; lower instances of poverty, dependence, incarceration; longer, healthier life expectancy, with lower health costs; children more likely to perform well in school; and more likelihood to participate in community organizations and political events. Improved student graduation rates have repeatedly been shown to have a return on investment exceeding 300%. One more semester in college equates to 4 months of lost earnings for that individual, thus, a negative impact on the student, the economy, and the state.

Allocating the available funds to summer term awards will provide students an opportunity to accelerate their time-to-degree and a more rapid entry into the state's workforce, thereby creating the potential for an increase in State revenue from the new income earning expenditures.

Reducing student debt is a state and national concern. The State of Florida should take a leadership position in providing solutions for reducing the cost to attain a baccalaureate degree in Florida with as little debt as possible.

By funding Bright Future awards during the summer term the SUS will increase classroom utilization. This is consistent with the Board of Governors 2012-2025 Strategic Plan with a stated goal to "seek ways to organize and collaborate for increased efficiencies and a stronger System and State."

This request is consistent with previously-articulated goals of the Board of Governors, the Governor and the Legislature to increase student graduation rates, to reduce student debt, and to increase classroom usage during the summer term.

**III. Facilities** *(If this issue requires an expansion or construction of a facility and is on the Capital Improvement List complete the following table.):*

	<b>Facility Project Title</b>	<b>Fiscal Year</b>	<b>Amount Requested</b>	<b>Priority Number</b>
<b>1.</b>	n/a			
<b>2.</b>				