

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
STRATEGIC PLANNING COMMITTEE
UNIVERSITY OF NORTH FLORIDA
JACKSONVILLE, FLORIDA
January 22, 2015

*Video or audio archives of the meetings of the Board of Governors
and its Committees are accessible at <http://www.flbog.edu/>.*

1. Call to Order and Opening Remarks

Governor Colson convened the meeting of the Strategic Planning Committee at 10:31 a.m. on January 22, 2015 with the following members present: Governors Dick Beard, Patricia Frost, Dan Doyle, Ned Lautenbach, Ed Morton, and Katherine Robinson. A quorum was established. Other Board members present were Governors Mori Hosseini, Matt Carter, Stefano Cavallaro, Wayne Huizenga, Tom Kuntz, Alan Levine, and Norm Tripp.

2. Approval of Committee Minutes, November 6, 2014

Chair Colson called for a motion to approve the minutes from the Committee's November 6, 2014 meeting. A motion was made by Governor Frost, seconded by Governor Doyle, and the motion carried unanimously.

3. 2013-2014 State University System Accountability Report

The Committee's first item was to consider for approval the 2013-2014 State University System Accountability Report. Along with the Strategic Plan and the yearly University Work Plans, the Annual Accountability Report constitutes one of the Board's "Three Great Books" used to guide and monitor the progress of the System. The 2013-14 Annual Accountability Report contains narrative and metrics on the progress made toward Board of Governors Strategic Plan goals. Among other information, the Report contains examples of key achievements, as well as information and metrics regarding enrollments, degrees awarded, retention and graduation, research and commercialization, and funding and expenditures. Chair Colson then called on Vice Chancellor Ignash to make a presentation on the 2013-14 Annual Accountability Report.

The System has made strong improvement in FTIC graduation rates in the last five years. Dr. Ignash pointed out that, as a System, 70% of the most recent cohort of full- and part-time FTICs graduated within six years, which represents an increase of 5% points compared to the 2004-10 cohort. Among the 10 largest public 4-year university systems, the SUS has the third highest six-year graduation rate. System-wide, 42% of the most recent cohort of full- and part-time FTICs graduated within four years, which represents an increase of 4% points compared to the 2006-10 cohort. FTIC graduation rates for nine universities have increased over the last five cohorts.

With regard to student progression, Dr. Ignash noted that, on average, the System's second year retention is 88%. She said that 42% of SUS students have graduated by their fourth year. She noted also that about 20% of SUS students are in majors such as engineering that require more than 120 credit hours. System-wide, 84% of full-time, first-time-in-college freshmen with a first-year GPA of 2.0 and higher are retained in the second year. Florida's SUS has the second highest retention rate among the 10 largest public 4-year university systems in the U.S.

Regarding other important indicators, Dr. Ignash reported that bachelor's degrees awarded without excess hours is another important metric to gauge the efficiency of degree completion. Sixty-nine percent of SUS graduates did not earn any excess hours. In addition, the number of bachelor's degrees awarded annually has increased 17% over the last five years. This past year, however, bachelor's degree production grew more slowly, at 1.7%, than the 10-year average annual growth rate of 3.8%. With regard to graduate degrees awarded, Dr. Ignash noted that, as a System, the number of graduate degrees awarded annually has increased 13% over the last five years but that the rate of growth has slowed down considerably.

With regard to degrees in Science, Technology, Engineering, and Mathematics (STEM), Dr. Ignash said that, at the baccalaureate level, STEM degrees have grown 37% in the last five years, outpacing the 14% growth in non-STEM disciplines. At the graduate level, STEM degrees grew 27% compared to the 9% of non-STEM degrees. Twenty percent of the System's bachelor's degrees granted in 2013-14 were awarded within a STEM discipline, and twenty-three percent (or, 1,100) of the System's graduate degrees granted in 2013-14 were awarded in STEM.

In Fall 2013, the SUS, with 337,750 students, had the second-largest enrollment among public four-year institutions, behind the California State University System. Undergraduate enrollment has increased by 22% over the last ten years, while graduate enrollment has increased 24% over the last ten years. The annual growth rate at the graduate level, however, has declined -0.7% from Fall 2012 to fall 2013 which is considerably lower than the ten-year average annual growth rate of 2.4%.

SUS enrollments trail Florida's population demographics by 1% for Hispanics and 6% for non-Hispanic Blacks at the undergraduate level. For SUS Non-Hispanic Whites and Non-Hispanic Asians, however, student enrollment rates were both higher than Florida's, by 1%. At the graduate level, the System rates trail Florida's demographics for Hispanic by 12% and non-Hispanic Black students by 9%. Finally, she pointed out that the System's graduate-level Non-Hispanic White and Asian rates are both higher than Florida's, by 2%.

With regard to undergraduate class size, Dr. Ignash said that, at the System level, 57% of undergraduate classes have fewer than 30 students, and that only 5% of classes have 100 or more students in the class. During the 2013-14 year, 41 new academic programs were approved, 23 were terminated, and 56 were suspended by University Boards of Trustees. The SUS Council of Academic Vice Presidents Coordination Project Work Group continued its examination of potential new degree programs in order to address the issue of unnecessary duplication, and that this dialogue identified a number of other programs that may not be implemented in the foreseeable future.

With regard to professional licensure and certification examinations, Dr. Ignash noted that the ultimate pass rates, regardless of the number of attempts, are typically near 100% in the SUS. She pointed out that, at the university level, four universities were at or above the national averages for all their exams.

Regarding research expenditures in 2012-13, the State University System research-only activities consisted of \$1.78 billion in expenditures, a 15% increase from just four years earlier. Further, in 2011-12, the most recent year of available national data, Florida ranked fifth for research and development expenditures for public universities. The SUS is also the leading receiver of patents issued within Florida, with 1,076 patents awarded over the past five years. Florida's 11 Centers of Excellence have produced a direct Return on Investment of \$6.67 per state dollar invested, and SUS research institutes and centers produce a \$5.94 return on every state dollar invested.

Following Dr. Ignash's presentation, Chair Colson invited Committee members to ask questions or make observations. Governor Morton asked how the Accountability Report was used by the universities to create an action plan. Dr. Ignash responded that Board staff often provided feedback to the institutions with respect to their University Work Plans in the summer of each year. Governor Robinson asked whether health programs were included in STEM, and Dr. Ignash indicated that they were. Governor Levine expressed a concern regarding the preparation of Associate of Arts transfers; however, Dr. Ignash indicated that these students tended to graduate at the same rate as FTIC students.

Following the presentation and discussion, Chair Colson asked for a motion to approve the 2013-2-014 Accountability Report. A motion was made by Governor Beard. The motion was seconded by Governor Doyle, and the motion passed unanimously.

4. State University System Affordability

Chair Colson said that university affordability is currently part of the national conversation about higher education, and one that needed to be had in greater depth with regard to the State University System. He said that the Board needed to be thinking carefully how the State University System will ensure access to higher education for the future generations of Floridians while maintaining quality. Chair Colson noted that, at the last Board meeting, Chancellor Criser introduced the topic of affordability in terms of its three major components: tuition, state appropriations, and financial assistance. Accordingly the Board would undertake a year-long study that looks at the three major components of affordability and explores whether the State University System is affordable for all students who are qualified and motivated to attend. Chair Colson then called upon Chancellor Criser to make a presentation.

Chancellor Criser said that the purpose of the affordability study was to explore whether the State University System is affordable for all undergraduate students who are qualified and motivated to attend, taking into consideration the three main components of affordability: tuition, state appropriations, and financial aid. He said that the study would be guided by four questions: (1) What is the cost of attending an SUS institution? (2) How does that cost compare to other states and other sectors? (3) Is the cost of attending an SUS institution affordable for all income groups? And (4) If the cost of attending an SUS institution is not affordable for all income groups, what can the Board do to enhance affordability? Chancellor Criser said that he expected the study to be completed within the coming year, and that policy recommendations limited to strategies and activities actionable by the SUS would be developed based on the study. Chancellor Criser then provided a timeline for the year-long study, indicating that the next step would be a March 2015 workshop.

Chancellor Criser then presented information with regard to System average cost of attendance, comparing on-campus students with those who stayed at home. Additional information regarding cost that takes into account financial aid and expected family contribution would be forthcoming for the March Board meeting.

With regard to average 2014-15 in-state tuition and fees, Chancellor Criser pointed out that Florida's universities ranked 46th in the country. In terms of keeping our universities affordable, this is a highly commendable fact for which the State's policymakers should be proud, although it also presented challenges for helping Florida institutions to compete with wealthier universities from other states.

Chancellor Criser then discussed national “sticker” and “net” prices. He said that the sticker price represents the full price colleges list in their brochures and on their websites and is what is typically discussed in the media. He said that net price, on the other hand, is the price students actually pay and accounts for the fact that many students receive financial aid that does not need to be paid back. In addition, although the sticker price has grown considerably over the past twenty years, the value of grants and scholarships has also grown.

Chancellor Criser next turned the Committee’s attention to financial aid trends, providing data on SUS grants, scholarships and loans awarded to undergraduates over the last ten years. The two primary funding sources for growth in grant awards has been the growth in the Federal Pell award program and the statutory provision requiring that at least 30% of all Tuition Differential Fee dollars collected must be spent on undergraduate need-based aid. In 2013-14, Pell grant awards totaled \$445 million and need-based aid from the Tuition Differential Fee was about \$73 million. Grants overtook scholarships during the 2009-10 academic year, most likely because of the economic recession. Further, the number of undergraduates within the State University System with a Pell grant has doubled in the last ten years. The Chancellor noted that this dramatic growth in grants awarded should be commended, as it has served as a vital funding source that has preserved access to our universities for hundreds of thousands of Florida’s families.

In concluding his presentation, Chancellor Criser indicated next steps for the March Board meeting, including an analysis of the differences in affordability within each of the family income quintiles. In addition, consideration would be given as to how dependency status and estimated family contribution impact net tuition and fees. Finally, Chancellor Criser said that staff would prepare more information with regard to family income of the students who do not complete a FAFSA.

Chair Colson thanked Chancellor Criser for the presentation and added that he looked forward to receiving more information at the March Board meeting.

5. Concluding Remarks and Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 11:30 a.m.

R.E. LeMon,
Associate Vice Chancellor,
Academic and Student Affairs

Dean Colson, Chair