

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
STRATEGIC PLANNING COMMITTEE
FLORIDA A&M UNIVERSITY
TALLAHASSEE, FLORIDA
March 18, 2015

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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 1:20 p.m. on March 18, 2015 with the following members present: Governors Dick Beard, Patricia Frost, Ned Lautenbach, and Katherine Robinson. A quorum was established. Other Board members present were Governors Mori Hosseini, Stefano Cavallaro, H. Wayne Huizenga, Jr., Tom Kuntz, Alan Levine, and Norman Tripp.

2. Approval of Committee Minutes, January 22, 2015

Chair Colson called for a motion to approve the minutes from the Committee's January 22, 2015 meeting. A motion was made by Governor Lautenbach, seconded by Governor Frost, and the motion carried unanimously.

3. Updates to 2013-14 Accountability Report

Governor Colson said that the Committee would review for approval updated data for the metrics included in the Performance Based Funding Model. According to Board of Governors policy, the Performance Based Funding-related data provided in the January release of the Accountability Report is considered preliminary, and is not finalized until after the established 'data lock' on March 1st. Governor Colson called on Vice Chancellor Jan Ignash to explain the updates.

Vice Chancellor Ignash said that since the 2013-14 Accountability Report was first released in January 2015, there have been updates to four Performance Based Funding metrics. She said that two metrics – six-year graduation rate for first-time-in-college students, and academic progress rates--had preliminary data in January and that, accordingly, their updates were planned. Vice Chancellor Ignash said that as a result of the updating the data for six-year graduation rates for first-time-in-college

students, USF's 2008-14 graduation rate was revised from 65% to 66%. She also noted that, as a result of updating the academic progress rate data, USF's 2012-13 rate increased from 84% to 85%, and that FIU's 2013-14 rate increased from 76% to 79%.

Vice Chancellor Ignash said that two other metrics – baccalaureate degrees awarded without excess hours, and average cost per undergraduate degree to the institution--were updated to fix previous errors. With respect to baccalaureate degrees awarded without excess hours, Dr. Ignash indicated that the error involved an error by Board staff in *twice* excluding dual enrollment hours in the calculation. The result of fixing the error was that, System-wide, there was a 2% decrease in this metric, with nine of ten university rates decreasing. She indicated that only UCF exhibited no change. With regard to the data for the average cost per undergraduate degree to the institution, Vice Chancellor Ignash indicated that three universities identified errors in the historical expenditure data that they previously provided to the Board, and that to ensure accurate and consistent data across all universities, these institutions were allowed to resubmit their data.

At the conclusion of Vice Chancellor Ignash's presentation, Governor Colson called for a motion to approve the updates to the 2013-14 Accountability Report. A motion was made by Governor Lautenbach, seconded by Governor Frost, and the motion carried unanimously.

4. State University System Affordability

Chair Colson said that this year the Board's Strategic Planning Committee is undertaking a year-long study that examines the major components of affordability and explores whether the State University System (SUS) is affordable for all students who are qualified and motivated to attend. 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 SUS. He said that the Board needed to be thinking carefully about how the SUS will ensure access to higher education for future generations of Floridians while also maintaining quality. At the last meeting of the Strategic Planning Committee, Chancellor Criser made a presentation on several aspects of university affordability in the SUS and nationally, including SUS average cost of attendance, average 2014-15 tuition and fees, national "sticker" and "net" prices, financial aid trends, and SUS demographics as compared to Florida. Chair Colson called upon Chancellor Criser to make a further presentation on university affordability.

Chancellor Criser began by saying that his presentation would focus on the study's guiding question of whether the cost of attending an SUS institution was affordable by family income group and by Expected Family Contribution group. He then presented

background data on SUS average cost of attendance for full-time, undergraduate Florida residents in the Fall and Spring of 2014-15 for both on-campus students as well as for those who live at home. Next, he presented national data on “sticker” and “net” prices for full-time, in-state undergraduates at public four-year institutions, noting that the differences between the two represented the contribution of scholarships and grants that bring down costs to students. With regard to financial aid trends for undergraduates within the SUS, Chancellor Criser noted the precipitous increase, primarily in Pell Grant dollars, that occurred around the time of the Great Recession. He said that this increase in dollars was associated with a concomitant increase in Pell recipients in the SUS. The Chancellor noted that, on the other hand, Florida Student Assistance Grant dollars had remained relatively flat for the last ten years.

With regard to grants and scholarships awarded in 2013-14 to undergraduates by family income group, Chancellor Criser noted that the lowest family income group receives the greatest number of grants and scholarships and also the greatest portion of grant and scholarship dollars. He also noted, however, that 131,000 SUS students did not report their family income and more information was needed on this sizeable portion of the SUS undergraduate population.

Chancellor Criser next presented information with respect to populations by family income group for Florida, for the SUS, and for the Florida College System. He noted that, while Florida’s \$40,000-\$59,999 family income group constituted 44% of its population, it constituted only 30% of the full-time resident undergraduate population of the SUS.

Chancellor Criser then provided information on Expected Family Contribution (EFC). He said that EFC is a measure of a family’s financial strength and is calculated according to a formula established by the United States Congress. He noted that a family’s taxed and untaxed income, assets, and benefits are all considered in the formula, as well as family size and the number of family members who will attend college during a given year. A particular EFC is the same regardless of an institution’s cost of attendance, and that student financial aid is based on EFC rather than on family income. Chancellor Criser then illustrated how family income was translated into EFC based on the number of parents in the family and the number of children in college.

The Chancellor then provided a summary of per student gift aid and loans by EFC for full-time resident undergraduates in the SUS in the Fall and Spring of 2013-14. He provided headcounts by net tuition and EFC for full-time, resident SUS undergraduates in the Fall and Spring of 2013-14. Next, he provided an analysis of Florida Student Assistance Grant-eligible headcount students by net tuition and EFC for full-time, resident undergraduates in the Fall and Spring of 2013-14. Finally, he provided an analysis of average loan amounts by net tuition and EFC categories for full-time, resident undergraduates in the Fall and Spring of 2013-14.

Following Chancellor Criser's presentation, Chair Colson asked whether the Committee or other Board members had questions or observations. Governor Frost asked whether the affordability study would make comparisons to Florida College System costs. She said that perhaps more students needed to be directed to less expensive Florida College System baccalaureate programs. Chancellor Criser said that the Florida College System institutions as well as the private institutions were partners in addressing access and affordability. He added that, more and more, the SUS is focusing on what its target population needs to be. Governor Hosseini noted that the difference between SUS costs and Florida College System costs is a reflection of the fact that the Florida College System focuses on lower-level coursework. He added that, accordingly, Florida needed to be wary of Florida College System mission creep that would drive up costs for the Florida College System.

Governor Levine noted that the Chancellor's presentation helps the Board to focus on what it can control. He said that the metrics of time-to-degree and earnings after graduation should continue to be a major focus for the Board. Governor Beard asked how the Florida Prepaid College Program was figuring into the affordability discussion. Chancellor Criser responded that there had been a significant increase in the number of Florida Prepaid College purchases, indicating that, clearly, the issue of debt is on the minds of parents. Governor Colson said that an analysis was needed to demonstrate how inexpensive it is to get a degree in Florida, especially if the first two years are taken at the Florida College System. Chancellor Criser indicated that, with more and better information, parents and advisors will be able to make better decisions.

Governor Tripp indicated that he would be concerned if, within Florida, a system is created that destines students from a lower income level to be educated in a different way. Chancellor Criser indicated that this was not the intent of the affordability study. Governor Colson said parents and prospective students need to understand the various cost options available in Florida.

Chair Colson thanked Chancellor Criser for the presentation and added that he looked forward to receiving more information at future Committee meetings.

5. Concluding Remarks and Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 2:09 p.m.

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

Dean Colson, Chair