



September 21, 2007

Mr. John Dasburg  
Chair, Academic Programs/Strategic Planning Committee  
Board of Governors  
State University System of Florida  
325 W. Gaines Street, Suite 1614  
Tallahassee, FL 32399-0400

Dear Governor Dasburg:

In the fall of 2006, The Florida Board of Governors Foundation engaged The Pappas Consulting Group Inc. to provide a 25-year blueprint for Florida's higher education future. While the study was to address the State University System of Florida, the study tangentially took into consideration the Florida Community College System and the Independent Colleges and Universities of Florida.

We instructed The Pappas Group to be candid and direct—in essence to reflect solely its views. On January 15, 2007, its report, *Proposing a Blueprint for Higher Education in Florida: Outlining the Way to a Long-term Master Plan for Higher Education in Florida* was issued. On January 24, 2007, The Pappas Group presented its report to the Board of Governors, at which time lengthy discussion ensued.

The report was shared widely to initiate meaningful dialogue among the people of the state of Florida regarding the future structure of the State University System. Both a web log and a survey were placed on the Board of Governors website to encourage a wide array of stakeholders to express their opinions, and they did.

In addition, Board members and the Chancellor held a series of "Town Meetings" across the state to gather further input. The Pappas Group made a presentation to the State Senate Appropriations Committee to answer questions raised by elected officials and to hear their views, and participated in a number of sponsored events, such as the Askew Institute (June 2007).

The attached document reflects my recommendations concerning how the state can: (1) improve institutional and system quality; (2) increase baccalaureate degree production; and (3) provide appropriate and predictable funding. The achievement of these recommendations will require the leadership and cooperation of the Board of Governors, our Governor and the Legislature.

Sincerely yours,  
Mark B. Rosenberg  
Chancellor  
State University System of Florida

# FLORIDA BOARD OF GOVERNORS

September 21, 2007

## Key State University System Initiatives to Advance Florida's Higher Education

### The Context

Florida's public universities fall behind in almost every category of comparison except for size in the national rankings of colleges and universities. Indeed, the University of Florida is the state's only public institution ranked in the nation's top 25 public universities and is the state's sole member of the Association of American Universities (AAU), the country's leading, invitation-only association of research universities. According to *U.S. News and World Report*, only the University of Florida ranks in the nation's top 50 institutions – public or private. Contrast this with California. Seven of its public universities are ranked in the nation's top 25. Berkeley alone has 212 faculty who are members of the National Academies. The entire State University System of Florida has fewer than 25. The combined federal research expenditures at all Florida public universities are less than those at the University of Washington alone.<sup>1</sup>

Florida lags in baccalaureate production nationally. Despite being the fourth largest state in the United States, Florida ranks 46<sup>th</sup> for bachelors degrees per 1,000 residents.<sup>2</sup> Nationally, 29% of the 25-64 age population has a bachelor or higher degree. In the ten states with the highest gross domestic product per capita, 33% do. In Florida, the percentage is 27%, a gap that translates into \$180 billion annually in lower economic productivity.<sup>3</sup> Our six-year graduation rate has barely moved in the last few years – hovering at about 64%. Neither has our freshman to sophomore retention rate, which remains at about 88%. By 2027, if Florida is to compete with other states and nations that are investing in education, we will need to have 3.5 million adults aged 25-64 with bachelor or higher degrees, a million more than we have today.

Funding per student is a key measure of support for Florida's public universities. During the past two decades, it has plummeted by more than 20% after adjusting for inflation. Declining funding has undermined quality and the ability to plan. Every year, citizens of the state and public university administrators play a guessing game to determine annual tuition charges, faculty hiring and course availability. The end result is an inability to meet growing state needs for quality and baccalaureate degree production. Florida now ranks last nationally in student/faculty ratios. The State University System will need to add an additional 1,600 faculty members just to achieve the national average in this important indicator of quality.<sup>4</sup>

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<sup>1</sup> See **The Top American Research Universities, 2006 Annual Report** (Tempe: Arizona State University, 2006), pp. 16-19. See also the **US News & World Report** "America's Best Colleges," 2008 edition.

<sup>2</sup> Based on July 1, 2005 U.S. Census Bureau population estimates for states, and 2004-05 degrees awarded by state, as reported in the U.S. Department of Education's *Digest of Education Statistics 2006*.

<sup>3</sup> Based on the U.S. Census Bureau's American Community Survey 2006 estimates of state population by age and educational attainment, and the Bureau of Economic Analysis estimate of 2006 GDP by state.

<sup>4</sup> Based on 2005 full-time tenured and tenure track faculty and full-time equivalent students, as reported in the U.S. Department of Education's *Integrated Postsecondary Education Data System*.

## **Recommendations**

I propose that the Board of Governors consider the following three initiatives for adoption and action:

### **I. Improve quality by:**

A. freezing the current number of state universities that offer graduate degrees:<sup>5</sup>

- Florida Agricultural and Mechanical University
- Florida Atlantic University
- Florida Gulf Coast University
- Florida International University
- Florida State University
- University of Central Florida
- University of Florida
- University of North Florida
- University of South Florida
- University of West Florida

B. approving compacts with each university that define their distinctive missions around core institutional strengths and statewide workforce needs; approving institutional strategic plans; developing multi-year performance indicators that focus on improvement strategies for student graduation and retention.

C. achieving excellence in areas of core strength, and improving national rankings in select programs.

D. approving masters, professional and doctoral degree proposals with the objective of avoiding unnecessary and wasteful duplication statewide.

E. strengthening the current doctoral program review process, including approval of criteria for the elimination of state funding for Ph.D. and professional degree programs that are no longer relevant, no longer in demand, or that do not reflect state or student need.

### **II. Increase baccalaureate degree production by:**

A. altering the funding of existing universities to reward improved freshman to sophomore retention rates and baccalaureate graduation rates, thereby increasing student access for the baccalaureate degree.

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<sup>5</sup> The New College of Florida, a member of the State University System, offers only baccalaureate degrees.

- B. developing a planning process to identify the location and mission of new baccalaureate-only institutions, including the possible conversion of State University System branch campuses and the construction of campuses when they meet such predetermined Board of Governors established criteria as projected population growth, economic development, and workforce development.
- C. creating new models for baccalaureate degree production through collaborative efforts with the Division of Community Colleges of the State Board of Education and the Independent Colleges and Universities of Florida.
- D. appointing a Joint Task Force of members of the Board of Governors and the State Board of Education to improve the readiness of underrepresented minority populations for the baccalaureate along with improving their retention and graduation rates to the same or better rate than system averages.
- E. increasing the number of collaborative distance education degrees, with special emphasis on high state needs, in collaboration with community colleges and independent colleges and universities.

**III. Provide appropriate and predictable funding by:**

- A. expanding need-based financial aid to undergraduate students to improve access and affordability.
- B. increasing undergraduate in-state tuition to the national average within three years to improve the quality of undergraduate education by, for example, reducing the student-faculty ratio and ensuring adequate numbers of courses and advisers to facilitate timely graduation.
- C. developing a revised funding formula that includes a performance component focusing on retention and graduation.
- D. developing a funding plan for targeted state investment in graduate program development, research and commercialization based on the state's economic development plan and the Board of Governors strategic plan for advanced degree production in the sciences, technology, engineering and mathematics.

## **Resolution for Adoption**

Chairman Dasburg, I recommend that the Board adopt in concept the following three strategic initiatives as the core of its master plan –

- I. Improve Quality
- II. Increase Baccalaureate Degree Production
- III. Provide Appropriate and Predictable Funding

– and direct me to bring back to the Board a detailed implementation plan that includes specific action steps, timelines, responsible party(ies), metrics for accountability, and costs or savings estimates.