Update from Frank T. Brogan, Chancellor
April 13, 2011

The budget discussion in the Legislature has been accelerated from the traditional timing of past Sessions and now is moving into the House-Senate conference phase. We will continue to work through potential impacts to our universities and already have made great progress on several items going into conference. As we pass the halfway point of the 2011 Session, I want to share with you updates on seven of the more prominent initiatives well under way within the State University System.

1. Governance
The 2010 signing of the Governance Agreement by the Legislature, the Governor, and the Board of Governors — clarifying roles and responsibilities relative to the oversight of the System — has proven to be a constructive arrangement, as evidenced by the solid working relationship that has emerged between our Board and state leaders. I know Chair Parker and the entire Board were honored to host the Governor, the Senate President and the House Speaker at our March meeting, at which they participated in individual discussions with the Board about the future of the System and current topics. We are nearly complete in addressing all of the items of flexibility that were included in statute — authorizing the Board of Governors to provide the framework for certain tuition and fee flexibilities.

2. Talent and Innovation
The State University System has been balancing budgetary challenges amid extensive and growing demand for access to the state’s higher educational opportunities. Thanks to the hard work of the students, faculty and staff at our 11 institutions — and thanks to the thoughtful university leadership and management — the System has experienced:

- Higher enrollment (up 3% between fall 2009 and fall 2010 by more than 20,000 students, to a total new record enrollment of 321,503).

- Improved six-year graduation rates (ranking the State University System of Florida 10th in the nation among public university systems).
• More sponsored research ($1.6 billion in research expenditures for fiscal year 2008-09).

• Increased research commercialization activities (more than $57 million in license revenue in 2008-09).

• More high-demand degrees awarded (37% of baccalaureate and 46% of graduate degrees awarded in 2009-10 — and mostly in Science, Technology, Engineering, and Math – or STEM – and health fields).

3. New Florida Initiative: As you know, the 2010 Legislature appropriated $12 million for efforts related to the New Florida Initiative — $2 million of which was utilized for research commercialization grants, and the Board of Governors invested $10 million in two other award categories: (1) the Scholar Boost Grants, to assist universities in recruiting and retaining world-class faculty in disciplines that are critical in “the New Florida Initiative future,” and (2) the Cluster Grants, which help universities promote new, leveraged collaboration among many faculty researchers in support of the State’s existing, evolving, and emerging industries. Just four months into the program, there are clear signs of success. Here are two examples in our tracking to date:

• The University of Florida received a $200,000 Scholar Boost Grant to recruit a professor of diagnostic medicine and pathobiology in veterinary medicine, and hired Dr. Paul Cooke who is responsible for $19 million in sponsored research.

• The Florida State University and the University of Central Florida jointly pursued a $375,000 grant award to create a unified approach for enhancing aerospace research, education, and workforce training. As part of the effort, a new certificate program was announced that will attract prospective students who are affiliated with the Kennedy Space Center – helping to underpin the loss of jobs in Florida’s space and aerospace industry due to changes in the U.S. space program.

The State can continue to show its support for the New Florida Initiative by funding PECO projects that will provide the classrooms and laboratories necessary to grow Florida’s knowledge-based economy. We support the Senate’s proposal to restore $80 million in PECO funding that was vetoed last year, and we are appreciative of the House’s attention to the more than $40 million in maintenance funding that is essential to the System’s fixed outlay needs as well.
4. Academic Coordination
Between 2007 and 2010, our universities have closed or placed in an inactive status more than 100 institutes, centers, and degree programs or tracks, and have merged a number of departments and colleges – all in response to significant budget cuts. The Provosts have been working to determine if there are additional ways to organize and coordinate academic program delivery across the State University System. This team has been reviewing System and institutional data on academic degree program delivery, participation, and productivity at all levels since the summer of 2010 — conducting viability studies to evaluate the future of certain degree programs. The Provosts will present their findings and recommendations to the Board of Governors before the end of this fiscal year.

5. Fee and Regulatory Flexibility
The Board has been working to identify any regulatory roadblocks that may be hampering the advancement of the universities, and has received input regarding statutes, rules, and regulations that could be phased out. (The Board regularly evaluates its own rules and regulations to avoid undue bureaucratic burden.) This goal has been the impetus behind the Board’s efforts to work with the Legislature to provide the universities with greater flexibility.

The 2010 governance agreement provided authority for the Board to implement market tuition, to consider proposals for new fees and to increase certain existing fees. In conjunction with this greater flexibility, the Board has asked each university to create a (non-binding) four-year projection of tuition and fees that will serve as a budget planning tool for the Board and each university. The Board has already considered a number of university proposals for market tuition and new fees for the fall 2011 term, and will consider tuition differential proposals and requests for increases at the June meeting.

6. Strategic Planning and Performance Monitoring
For two years, the Board of Governors has produced an annual report that is based on a more robust accountability and performance tracking system. (www.flbog.edu/resources/publications/accountability.php). This report reflects continued growth in a number of important metrics that were identified by the Board of Governors, the universities, and with input from members of the Legislature and legislative staff.

In 2009, the universities began work on respective annual Work Plans that cover multiple years and are constructed toward each university’s unique personalities and strengths. These plans outline a vision for the next 5 to 10 years — including more immediate university priorities and plans for achieving those priorities — and are focused on how each institution will contribute to the accomplishment of System-level strategic goals. The planning efforts of the universities dovetail with the long-range strategic planning activities of the Board of Governors. Working with partners in the other education delivery systems, the Board of Governors is developing an updated and revised strategic plan that will ensure Florida has a
higher education system that will prepare its students to compete well into the 21st Century. The updates to the current strategic plan are on-track and slated to be released in January 2012.

7. Statewide Coordination Efforts

Libraries: Chancellor Holcombe of the Florida College System and I jointly appointed the Task Force on the Future of Academic Libraries in Florida to thoughtfully plan for the future of Florida’s libraries. This task force has been charged with developing a strategic plan by December 31, 2011, for creating more efficient and effective use of public academic libraries and their resources. We are working with the Legislature and their staff to ensure that they are informed of our efforts and that their concerns are addressed within our planning process.

Distance Learning: More than one-third of all State University System students took at least one distance education course in 2009-10. Because online and distance learning is important to the delivery of higher education opportunities, Chancellor Holcombe and I also have restructured the Florida Distance Learning Consortium to better provide critical assistance to both sectors as they work to clarify the role of e-learning in the strategic plans for both systems. The distance learning workshop held at the March Board meeting under the stewardship of Governor Ann Duncan and the Academic & Student Affairs staff has provided the Board with a solid foundation of knowledge regarding this issue, which will be critically important as we work to continue our commitments made to coordinate distance and e-learning opportunities across the System.

Cross-Sector Coordination: The Higher Education Coordinating Council has met nearly monthly since it convened last year and is tackling the complicated questions of degree delivery, articulation, and strategic planning that will lead to a more seamless educational experience for Florida’s students. As an advisory body – to the State Board of Education, the Board of Governors, and the Legislature – the Council is working to identify cross-sector issues, such as the accessibility of baccalaureate degree programs. The Council has overseen the development of a statewide inventory of baccalaureate degree programs that will ultimately grow to include all certificates, associate’s, master’s and doctoral degree programs offered in Florida. The Council also plays a pivotal role in the Talent Supply Chain Team — facilitated by Workforce Florida. That team, on which I am serving, is working to identify the talent that will be needed to support Florida’s existing, evolving, and emerging industries. For more, see www.floridahighereducation.org.

SHEEO and “Complete College America”

A quick note about two recent national gatherings: I attended the annual meeting of my counterparts across the nation at the conference of State Higher Education Executive Officers (SHEEO). Our focus this year centered on college and career readiness. I was pleased that much of this conversation reflects well on the gains
of Florida. We are a leader in many assessment tools. The rigor of raising math standards since 1995, for instance, bodes well for our State’s standing; this, in turn, assists in college readiness and our ability as a System to serve our future admits and graduates.

At the same time, Dr. Dottie Minear attended a meeting on college completion that attracted many public and private sector leaders from across Florida, including Chancellor Will Holcombe, Senator Steve Wise, President/CEO Barney Bishop (Associated Industries of Florida), President Ed Massey (Indian River State College), and others. This event was designed for select member states of the Complete College America Alliance, which is a national nonprofit working to significantly increase the number of Americans with a college certificate or degree and to close attainment gaps for traditionally underrepresented populations. We are excited about the work that has already been and look forward to more progress on the issue of college completion.

Thank you for your leadership and commitment to our institutions in the State University System.