1. **Call to Order on June 16, 2015**

Governor Colson convened the meeting of the Strategic Planning Committee at 1:03 p.m. on June 16, 2015 with the following members present: Dick Beard, Dan Doyle, Patricia Frost, Ed Morton, and Katherine Robinson. A quorum was established. Other Board members present were Governors Hosseini, Graham, Huizenga, Kuntz, Levine, Link, Stewart, and Tripp.

2. **Approval of Minutes from Committee Meeting March 18, 2015**

Governor Frost moved that the Committee approve the minutes of the meeting held on March 18, 2015, as presented. Dr. Robinson seconded the motion, and the members of the committee concurred unanimously.

3. **State University System Affordability**

Governor Colson reminded members that the Strategic Planning Committee is undertaking a year-long study that examines the major components of affordability and explores whether the State University System is affordable for all students who are qualified and motivated to attend. He asked Chancellor Criser to set the stage for the Committee’s discussion and to introduce the Committee’s guest speaker.

Chancellor Criser said that the Board of Governors was fortunate to be joined by Dr. Donald E. Heller, Dean of the College of Education at Michigan State University and a professor of higher, adult, and lifelong education. Prior to joining Michigan State in January 2012, Dr. Heller was director of the Center for the Study of Higher Education and professor of education and senior scientist at Pennsylvania State University. His teaching and research is in the areas of educational economics, public policy, and
finance, with a primary focus on issues of college access and choice for low-income and minority students.

Chancellor Criser said that Dr. Heller has consulted on higher education policy issues with university systems and policymaking organizations in many states, and has testified in front of Congressional committees, state legislatures, and in federal court cases as an expert witness. He said, further, that Dr. Heller would focus on two areas. First, he would attempt to identify the key affordability issues regarding public higher education in Florida that the Board of Governors should be addressing. Secondly, Dr. Heller would attempt to identify those affordability policies that have been implemented in other states that would be most relevant to the circumstances found in Florida. Dr. Heller was then invited to make his presentation.

Dr. Heller said that his presentation would focus on four areas: (1) the status of affordability in the nation, (2) SUS affordability in a national context, (3) determinants of affordability, and (4) guiding principles for consideration. Dr. Heller first focused on dominant media messages nationally with respect to affordability. These messages emphasized that (1) tuition prices were skyrocketing and out of control, (2) affordability is a crisis for all students, (3) student debt loan is choking the American economy, and (4) going to college doesn’t pay off. He said that the reality was that (1) net prices are rising much less quicker than sticker prices, (2) most students have reasonably affordable choices, (3) most graduates are effectively managing their debt, and (4) the returns to college are, on average, still very positive.

Dr. Heller next provided an historical perspective on national public four-year sticker and net tuition prices as a percentage of family income quintiles. Following that, he provided information with regard to loan debt of seniors in the U.S. by income group, broken out by type of postsecondary institution. He then provided information on the payment status of education debt in the U.S. in 2014 by type of postsecondary institution. Dr. Heller next compared “sticker” prices as a percentage of median household income between the SUS and the U.S., followed by a comparison of the Florida SUS with the U.S. with regard to average annual loans at public four-year postsecondary institutions. He then shared figures on affordability by SUS institution compared to the U.S., as well as loan default figures by SUS institution compared to the U.S. Dr. Heller next showed the relationship between legislative appropriations and tuition, demonstrating that when appropriations went down, tuition increased.

Dr. Heller then identified policies affecting affordability. These included (1) policies relative to appropriations, (2) tuition policies, (3) and performance funding policies. He said that a working definition of affordability was net price divided by the ability to pay. Finally, he indicated that financial barriers should not exclude any qualified student from postsecondary attendance.
Following his presentation, the Committee posed questions to Dr. Heller. Governor Colson queried as to the State University System’s obligations to admit students, given the availability of other, less expensive options for prospective students in Florida. Dr. Heller said that he believed that this was a fair question and a conversation worth having in Florida. Governor Beard asked how Florida fared nationally with respect to net tuition costs. Dr. Heller replied that Florida fared very well. Governor Levine commented that it would be interesting to understand how individual universities compared with their national peers relative to cost. Governor Tripp asked Dr. Heller whether he has looked at how dollars are being spent in order to contain rising costs. Dr. Heller said that there is national data available to make those comparisons. Governor Tripp queried as to the viability of attending school year-around or reducing hours to degree. Dr. Heller said that both were options that could be considered but that they, in turn, would have implications. Governor Colson said that he hoped that, when Dr. Heller returned in November, he could provide an identification of the least expensive options for students in Florida. Chancellor Criser asked whether there were ways to enhance participation in the Florida Prepaid Program. Dr. Heller responded that there might be ways, but that the Program participants consisted of prospective students who were likely to attend college anyway. At the conclusion of the discussion, Chair Colson and Governor Criser thanked Dr. Heller for his insights and said that they looked forward to hearing from him again in November.

4. Consideration of 2015 University Work Plans

Mr. Colson indicated that the Committee would now take up 2015 University Work Plans and invited Florida International University to make its presentation.

A. Florida International University

After Florida International University presented its Work Plan, members questioned the university. Key issues and specific discussion included greater specificity in describing the proposed Bachelor’s in Latin American studies, increasing six-year graduation rates, demand matching between academic programs and business and industry, cost to degree, recruiting more National Academy members, and increasing amounts of annual giving. After the discussion, Governor Morton moved that the committee recommend that the full Board approve that portion of the FIU Work Plan associated with the 2015-16 academic year, excluding those sections of the Work Plan that require any additional regulatory or procedural review or approval pursuant to law or Board regulations and accept the out-year portions of the Work Plan. Governor Doyle seconded the motion, and the members of the committee concurred unanimously.
B.  Florida State University

After Florida State University presented its Work Plan, members questioned the university. Key issues and specific discussion included projected increases in cost to degree, faculty hiring for preeminence, and the mission of the FSU College of Medicine. FSU was directed to return to the committee at a later date for a discussion of timelines and resources needed for the institution to attain Top 25 status nationally. After the discussion, Governor Frost moved that the committee recommend that the full Board approve that portion of the FSU Work Plan associated with the 2015-2016 academic year, excluding those sections of the Work Plan that require any additional regulatory or procedural review or approval pursuant to law or Board regulations and accept the out-year portions of the Work Plan. Governor Morton seconded the motion, and the members of the committee concurred unanimously.

C.  Florida Gulf Coast University

After Florida Gulf Coast University presented its Work Plan, members questioned the university. Specific discussion included the rising cost to degree, gains in graduation rates, and improving retention rates. After the discussion, Governor Robinson moved that the committee recommend that the full Board approve that portion of the FGCU Work Plan associated with the 2015-2016 academic year, excluding those sections of the Work Plan that require any additional regulatory or procedural review or approval pursuant to law or Board regulations and accept the out-year portions of the Work Plan. Governor Morton seconded the motion, and the members of the committee concurred unanimously.

D.  New College of Florida

After New College of Florida presented its Work Plan, members questioned the institution. Specific discussion included graduate employment, improving retention rates, closing the gap between four-year and six-year graduation rates, enhancing transfer rates from the Florida College System, and the numbers of students who are graduating and able to get jobs. After the discussion, Governor Robinson moved that the committee recommend that the full Board approve that portion of the NCF Work Plan associated with the 2015-2016 academic year, excluding those sections of the Work Plan that require any additional regulatory or procedural review or approval pursuant to law or Board regulations and accept the out-year portions of the Work Plan. Governor Beard seconded the motion, and the members of the committee concurred unanimously.
5. **Adjournment**

The meeting was adjourned at 5:28 p.m. on June 16, 2015.

6. **Call to Order on June 17, 2015**

Chair Colson reconvened the meeting of the Strategic Planning Committee at 8:23 a.m. on June 17, 2015 and invited Florida Polytechnic University to present its 2015 Work Plan.

7. **Consideration of 2015 University Work Plans**

   A. **Florida Polytechnic University**

   After Florida Polytechnic University presented its Work Plan, members questioned the university. Specific discussion included the significant investment needed if the institution is to fulfill its vision statement, expected numbers of out-of-state students in the out-years, short-term space issues, expected completion rates, the level of the SAT scores for entering students, and fundraising. Florida Polytechnic University was directed to provide a breakout of SAT scores by quintile and corresponding success in calculus classes. In addition, the institution was directed to provide, at a later date, a “reset” with respect to facilities and infrastructure needed in the mid- and long-term in light of projected enrollments, and academic program offerings and research endeavors. After the discussion, Governor Beard moved that the committee recommend that the full Board approve that portion of the Florida Polytechnic University Work Plan associated with the 2015-2016 academic year, excluding those sections of the Work Plan that require any additional regulatory or procedural review or approval pursuant to law or Board regulations and accept the out-year portions of the Work Plan. Governor Link seconded the motion, and the members of the committee concurred unanimously.

   B. **University of Florida**

   After the University of Florida presented its Work Plan, members questioned the university. Specific discussion included the University’s PaCE Program, enhancement of research expenditures, institutional security, student engagement in goal-setting, and the gap between four-year and six-year graduation rates. In addition, UF was directed to return to the committee at a later date for a discussion of timelines and resources needed for the institution to attain Top 10 status nationally. After the discussion, Governor Link moved to approve that portion of the UF Work Plan associated with the 2015-2016 academic year, excluding those sections of the Work Plan that require any additional regulatory or procedural review or approval pursuant to law or Board
regulations and accept the out-year portions of the Work Plan. Governor Frost seconded the motion, and the members of the committee concurred unanimously.

C. University of West Florida

After the University of West Florida presented its Work Plan, members questioned the university. Specific discussions included the Complete Florida Program’s reaching out to as many prospective students as possible, the number of students over the age of 25, the effect of FSU’s Panama City Branch Campus enhancement, the decline of average SAT scores over time, improving retention rates, and improving goals for the reduction of excess hours. The University was directed, at a later time, to provide an indication of regional workforce needs and the corresponding programs and resources that are going toward meeting those needs. After the discussion, Governor Frost moved that the committee recommend that the full Board approve that portion of the UWF Work Plan associated with the 2015-2016 academic year, excluding those sections of the Work Plan that require any additional regulatory or procedural review or approval pursuant to law or Board regulations and accept the out-year portions of the Work Plan. Governor Robinson seconded the motion, and the members of the committee concurred unanimously.

D. University of North Florida

After the University of North Florida presented its Work Plan, members questioned the institution. Specific discussion included improving graduation rates, and closing the gap between four-year and six-year graduation rates. After the discussion, Governor Robinson moved that the committee recommend that the full Board approve that portion of the UNF Work Plan associated with the 2015-2016 academic year, excluding those sections of the Work Plan that require any additional regulatory or procedural review or approval pursuant to law or Board regulations and accept the out-year portions of the Work Plan. Governor Doyle seconded the motion, and the members of the committee concurred unanimously.

E. Florida A&M University

After Florida A&M University presented its Work Plan, members questioned the university. Specific discussion included the percentage of Profile Admit students who are getting jobs, furthering the institution’s diversity, licensure passage rates in certain academic programs, disappointment with respect to the aggressiveness on goals for certain performance metrics, and the extent to which the University’s plan represents incremental improvement as opposed to having a transformative effect on the campus. The sentiment expressed by the committee and by other members of the Board was that FAMU needed transformational change rather than incremental improvement.
Accordingly, the university was directed to revise its Work Plan and to present a more aggressive Work Plan in September.

F. Florida Atlantic University

After Florida Atlantic University presented its Work Plan, members questioned the university. Specific discussion included the status of research expenditures, graduation rates, closing the gap between four-year and six-year graduation rates, the extent of articulation with the Florida College System, and the provision of medical residencies. The university was reminded that there was assurance on behalf of its five-hospital consortium that an additional 200 residency slots would be provided. After the discussion, Governor Link moved that the committee recommend that the full Board approve that portion of FAU’s Work Plan associated with the 2015-2016 academic year, excluding those sections of the Work Plan that require any additional regulatory or procedural review or approval pursuant to law or Board regulations and accept the out-year portions of the Work Plan. Governor Doyle seconded the motion, and the members of the committee concurred unanimously.

G. University of Central Florida

After the University of Central Florida presented its Work Plan, members questioned the university. Key issues and specific discussion included factors contributing to the University’s success in key areas, the UCF/Florida College System partnership, the institution’s ultimate growth plans, the university’s academic and research areas of excellence, narrowing the gap between four-year and six-year graduation rates, and seeing an increase in annual giving. After the discussion, Governor Beard moved that the committee recommend that the full Board approve that portion of the UCF Work Plan associated with the 2015-2016 academic year, excluding those sections of the Work Plan that require any additional regulatory or procedural review or approval pursuant to law or Board regulations and accept the out-year portions of the Work Plan. Governor Frost seconded the motion, and the members of the committee concurred unanimously.

H. University of South Florida

After the University of South Florida presented its Work Plan, members of the committee questioned the university. Specific discussion included the appropriate size for the Tampa campus, growth at the St. Petersburg campus, capturing the “swirling” of students among the USF System campuses, and collaboration with other SUS institutions in medical research. After the discussion, Governor Frost moved that the committee recommend that the full Board approve that portion of the USF Work Plan associated with the 2015-2016 academic year, excluding those sections of the Work Plan that require any additional regulatory or procedural review or approval pursuant to
law or Board regulations and accept the out-year portions of the Work Plan. Governor Beard seconded the motion, and the members of the committee concurred unanimously.

8. **Next Steps and Closing Remarks**

Having no further business, the meeting was adjourned on June 17, 2015 at 3:55 p.m.

________________________________________

Dean Colson, Chair

________________________________________

R.E. LeMon, Associate Vice Chancellor