Florida universities get $200 million to bolster performance

Florida universities get $200 million in performance funding

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After years of financial struggles, Florida public universities are in the unusual position of having to figure out how best to spend what amounts to a $200 million bonus.

Many schools will receive tens of millions of dollars under the state’s new performance-funding system, which will reward excellence or improvement annually in key areas such as graduation rates and financial efficiency.

The University of Central Florida would receive $30.8 million next school year under a plan the Board of Governors, which oversees state universities, will vote on Thursday.

The University of Florida, considered the state’s top public university, would receive the largest amount: $39.8 million.

Three institutions — Florida Atlantic University, University of West Florida and New College — did not rate high enough to qualify for an award, based on schools’ performance in 2012-13. In fact, the three could lose a total of $11.9 million if they do not make improvements in certain areas by the end of the 2014-15 academic year.

Officials at the universities that expect to receive money are debating how to spend it. They said they are considering putting it toward a variety of projects that should help the schools do well on the categories they will be judged on. That includes beefing up programs that aid struggling students; boosting wages to attract and keep top faculty; and adding academic advisers to help students stay on track.
At UCF, administrators are looking to combine award money with other funds to hire about 100 new faculty members this year. University spokesman Chad Binette said officials still are working out the details.

In fall 2013, UCF had about 2,000 faculty members, including adjunct professors.

"New faculty will help with many of our metrics," Binette said. "Being able to offer more classes will help with graduation and retention rates. We expect the student-faculty ratio will hold steady or show a slight decrease."

Four other universities, including Florida State University and Florida International University, are considering using performance funding to add faculty. FSU's goal is to raise its research productivity while lowering its student-faculty ratio, said Interim Provost Sally McRorie. She said that in coming years, FSU aims to bring in tenure-track professors who excel in teaching and research.

"That takes time, but that is how one increases one's stature and rankings," she said.

Lawmakers and other state leaders hope the performance-funding system prompts universities to work harder to make sure students and taxpayers get a good return on their investment.

Each year, schools will have a chance to receive money if they do well or show improvement in the various categories. Those that fail to earn a minimum score risk losing money — a penalty that later could trip up schools that rely on these funds for recurring expenses such as salaries.

The new system already has shined a spotlight on problem areas. For example, it showed that only 40 percent of students starting FAU as freshmen graduate within six years — less than half the percentage of students who complete bachelor’s degrees at UF within the same time period.

It also showed that the median, average full-time wage of graduates from New College, the state's tiny honors college in Sarasota, was just $21,200 for those working in Florida a year after getting a bachelor's degree. In comparison, it was $33,700 for UCF graduates.

Tom Auxter, president of the statewide faculty union, United Faculty of Florida, argued that the new program provides only a Band-Aid for the university system's funding problems.
He said taking money from schools that do not do as well could cause them to fall further behind. He called the award allotments "trivial," not enough to fund significant changes on campus. University operating budgets total more than $4 billion.

Auxter also argued that if state universities paid better, more top professors would remain in Florida to work with students. In fact, officials at a few universities, including UF and Florida Gulf Coast University, say they may provide pay increases with at least some of their performance money.

UF President Bernie Machen plans to give raises to faculty, graduate assistants and staff. Specifics will be announced in the coming weeks.

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