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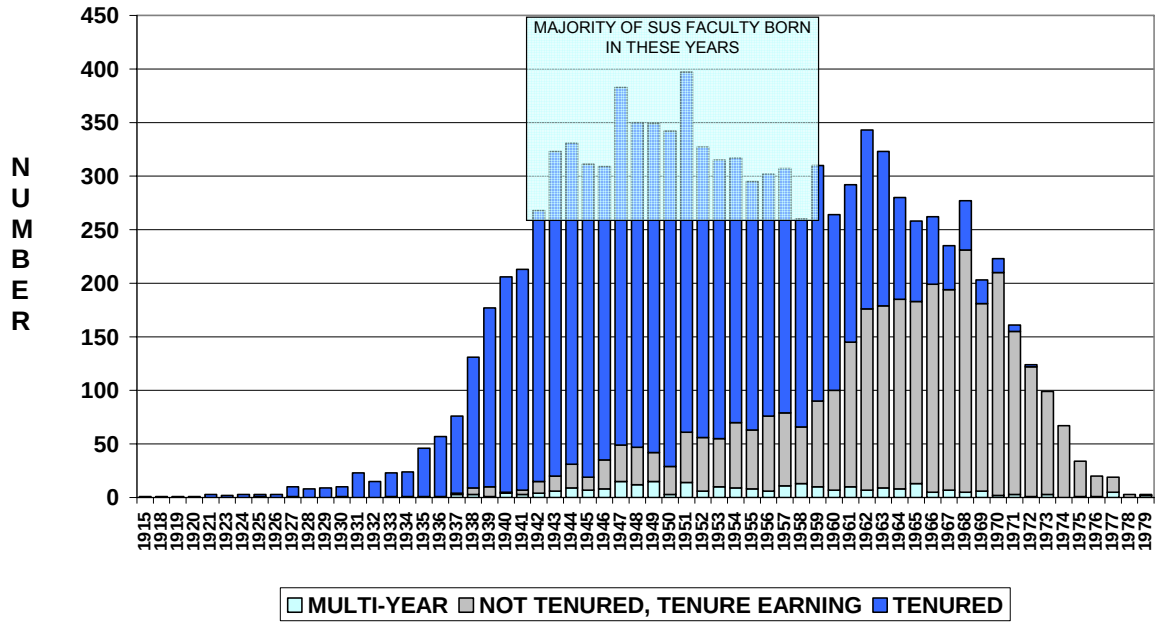
Impact of Projected State University System Faculty Retirements

The likely retirement age of "baby boomers" among the tenured faculty in the State University System will coincide with a steep increase in the population of traditional college-age students over the next ten years.

Baby Boomers on the Faculty

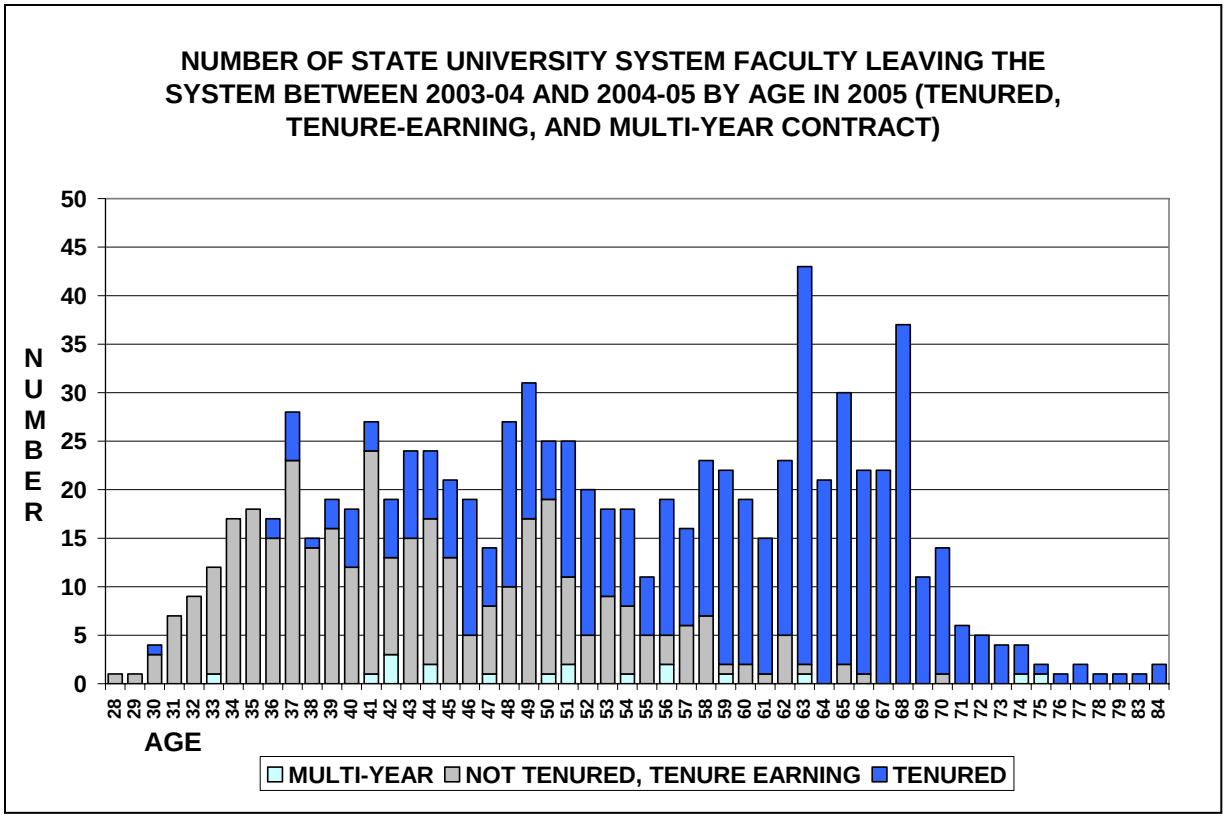
The majority—53.5%—of SUS faculty were born in the baby boom years between 1943 and 1959. This group is already beginning to reach age 62, after which many faculty begin to retire.

NUMBER OF STATE UNIVERSITY SYSTEM FACULTY BY BIRTH YEAR (TENURED, TENURE-EARNING, AND MULTI-YEAR CONTRACT)



Delaying Retirement

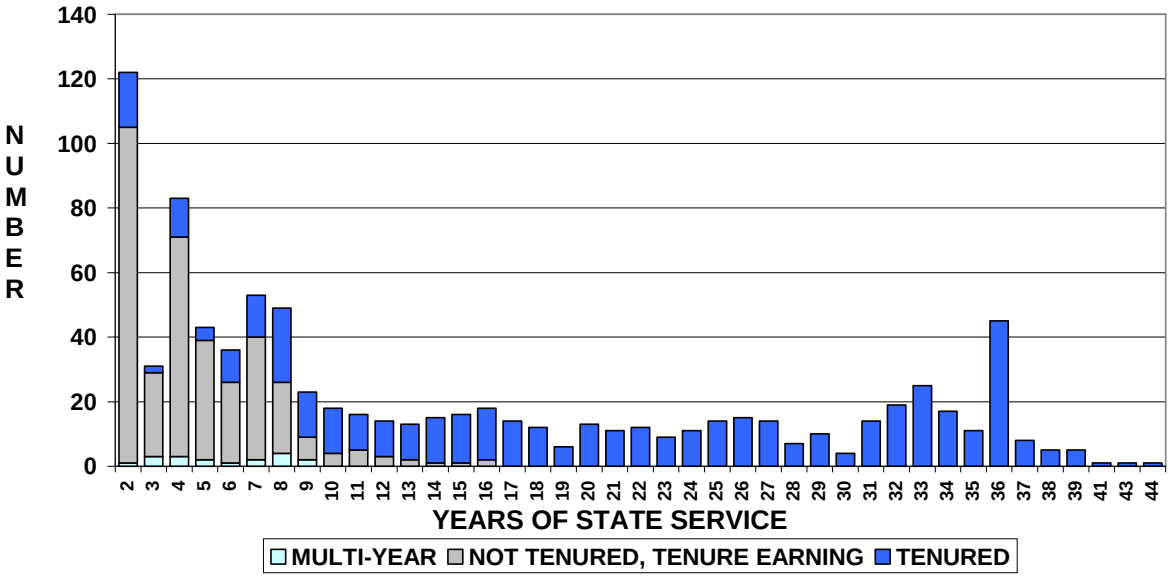
Predictions of a mass exodus of baby boomer faculty have been common for the last fifteen or twenty years, but a variety of factors have mitigated or at least delayed the "crisis." The elimination of mandatory retirement, and incentives—such as Florida's Deferred Retirement Option Program (DROP) to remain in the workforce beyond the minimum retirement age—mean that many faculty are remaining well into their 60s. There are significant spikes in the number of faculty leaving the university system just before age 63 and again just before age 68.



Impact of the Deferred Retirement Option Program (Drop)

In terms of years of state service, the number leaving the system begins to increase after 30 years of service—when most people become eligible for full benefits—with a big spike after 35 years of service, equivalent to the minimum plus the maximum five years of DROP participation. While the DROP program may have extended the service of some faculty, it also provides a definitive deadline after which participants must leave state employment.

NUMBER OF STATE UNIVERSITY SYSTEM FACULTY LEAVING THE SYSTEM BETWEEN 2003-04 AND 2004-05 BY YEARS OF STATE SERVICE IN 2004 (TENURED, TENURE-EARNING, AND MULTI-YEAR CONTRACT)



Estimating Future Retirements

Using 65 as a typical retirement age for SUS faculty, we can project the number of SUS faculty who will pass that threshold each year. Most are likely to retire within a few years—earlier or later—of that milestone. (Note that faculty currently over 65 are excluded from this analysis, since they represent the proportion of faculty who are not likely to retire by their late 60s.) By 2006, 4.1% of current faculty will reach 65, with 16% reaching that age by 2010 and 32.8% reaching 65 by 2015.

The tables on the following pages show the percentages of the faculty who will pass the age 65 milestone over the next ten years. The University of West Florida and Florida A&M have the largest percentages of faculty who will reach age 67, at 38.3% and 40.6% respectively.

Among the larger academic discipline areas, education, business and health professions have the largest percentage of current faculty projected to reach 65 over the next 10 years, while science and engineering fields have smaller, but still significant, percentages of faculty likely to retire.

Number of Current Tenured, Tenure Earning and Multi-Year Contract Faculty Reaching Age 65
State University System of Florida

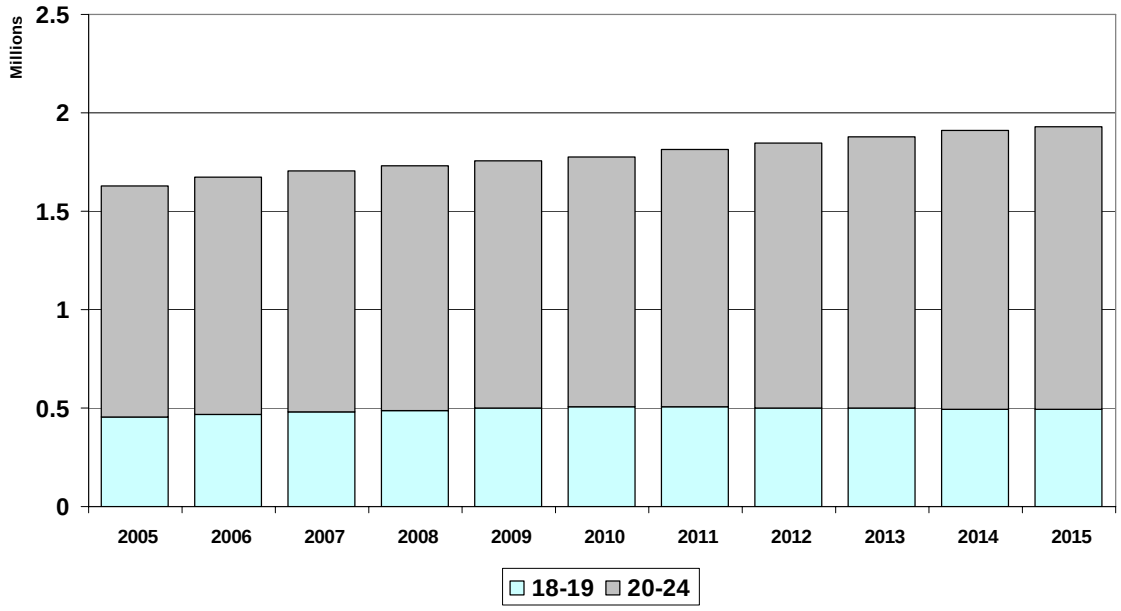
# REACHING 65		FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF	Grand Total
BY 2015	#	209	218	78	394	393	15	278	1,125	126	456	93	3,385
	%	40.6%	32.4%	29.1%	31.3%	32.0%	22.1%	29.4%	34.1%	33.9%	31.1%	38.3%	32.8%
BY 2014	#	190	190	75	347	347	14	247	1,021	111	419	82	3,043
	%	36.9%	28.3%	28.0%	27.5%	28.3%	20.6%	26.1%	31.0%	29.8%	28.6%	33.7%	29.5%
BY2013	#	166	174	62	308	305	12	223	891	100	380	73	2,694
	%	32.2%	25.9%	23.1%	24.4%	24.8%	17.6%	23.6%	27.0%	26.9%	26.0%	30.0%	26.1%
BY2012	#	139	147	53	283	264	9	199	760	94	331	65	2,344
	%	27.0%	21.9%	19.8%	22.5%	21.5%	13.2%	21.0%	23.1%	25.3%	22.6%	26.7%	22.7%
BY 2011	#	113	122	41	245	220	8	174	626	78	275	59	1,961
	%	21.9%	18.2%	15.3%	19.4%	17.9%	11.8%	18.4%	19.0%	21.0%	18.8%	24.3%	19.0%
BY 2010	#	93	97	32	209	188	7	152	524	65	237	48	1,652
	%	18.1%	14.4%	11.9%	16.6%	15.3%	10.3%	16.1%	15.9%	17.5%	16.2%	19.8%	16.0%
BY 2009	#	74	74	25	192	157	7	117	405	55	195	40	1,341
	%	14.4%	11.0%	9.3%	15.2%	12.8%	10.3%	12.4%	12.3%	14.8%	13.3%	16.5%	13.0%
BY 2008	#	56	60	16	144	122	3	88	303	43	142	33	1,010
	%	10.9%	8.9%	6.0%	11.4%	9.9%	4.4%	9.3%	9.2%	11.6%	9.7%	13.6%	9.8%
BY 2007	#	41	41	10	103	84	2	58	202	27	95	24	687
	%	8.0%	6.1%	3.7%	8.2%	6.8%	2.9%	6.1%	6.1%	7.3%	6.5%	9.9%	6.6%
BY 2006	#	24	19	8	68	55	2	36	118	19	62	8	419
	%	4.7%	2.8%	3.0%	5.4%	4.5%	2.9%	3.8%	3.6%	5.1%	4.2%	3.3%	4.1%
AGE 65 IN 2005	#	11	8	4	39	28	1	15	64	7	25	4	206
	%	2.1%	1.2%	1.5%	3.1%	2.3%	1.5%	1.6%	1.9%	1.9%	1.7%	1.6%	2.0%
All Ages in 2005		515	672	268	1,260	1,228	68	946	3,296	372	1,464	243	10,332

Tenured, Tenure Earning and Multi-Year Contract Faculty Reaching Age 65 State University System of Florida										
	Age 65 in 2005		BY 2006		BY 2010		BY 2015			ALL CURRENT FACULTY
	#	%	#	%	#	%	#	%		
Agriculture Science	9	1.7%	22	4.2%	94	17.7%	226	42.6%		530
Architecture & Environmental Design	2	2.0%	5	5.1%	16	16.2%	40	40.4%		99
Area & Ethnic Studies	1	3.1%	1	3.1%	4	12.5%	9	28.1%		32
Business and Management	11	1.5%	25	3.5%	123	17.3%	268	37.6%		712
Computer and Information Sciences & Support Srvs	2	1.1%	4	2.3%	22	12.5%	44	25.0%		176
Education	19	2.6%	33	4.6%	138	19.1%	289	39.9%		724
Engineering	13	2.0%	24	3.7%	78	12.1%	156	24.1%		647
Engineering Tech, General		0.0%	1	2.8%	5	13.9%	16	44.4%		36
Foreign Languages	4	2.2%	11	6.2%	39	21.9%	54	30.3%		178
Health Science	18	1.5%	39	3.4%	189	16.3%	439	37.7%		1,163
History	2	1.3%	6	4.0%	18	12.0%	34	22.7%		150
Home Economics/Human Sciences		0.0%		0.0%	5	12.5%	16	40.0%		40
Human Services	1	0.8%	5	4.2%	22	18.3%	47	39.2%		120
Law	4	3.6%	6	5.5%	17	15.5%	35	31.8%		110
Letters	9	3.0%	13	4.3%	48	15.7%	87	28.5%		305
Liberal /General Studies	3	2.5%	5	4.2%	18	15.0%	32	26.7%		120
Library & Archival Sciences		0.0%	1	2.5%	4	10.0%	13	32.5%		40
Life Sciences	8	2.0%	16	4.1%	64	16.2%	118	29.9%		395
Mass Communications	4	2.6%	5	3.3%	25	16.6%	60	39.7%		151
Mathematics	7	2.5%	19	6.8%	55	19.7%	86	30.8%		279
Multi / Interdisciplinary Studies		0.0%		0.0%	1	9.1%	2	18.2%		11
Natural Resources and Conservation		0.0%	1	1.2%	11	13.1%	24	28.6%		84
No Discipline Reported	49	2.6%	96	5.1%	309	16.3%	608	32.2%		1,891
Parks, Recreation, Leisure and Fitness	1	1.9%	1	1.9%	4	7.5%	15	28.3%		53
Philosophy, Religion, Theology	2	1.9%	4	3.8%	14	13.3%	25	23.8%		105
Physical Sciences	16	3.4%	28	5.9%	75	15.8%	124	26.2%		474
Protective Services	2	2.3%	3	3.4%	12	13.6%	27	30.7%		88
Psychology	2	0.8%	7	2.7%	40	15.3%	83	31.7%		262
Residency Programs	5	1.3%	10	2.6%	65	16.8%	104	26.8%		388
Social Sciences	5	1.1%	10	2.2%	68	14.8%	150	32.5%		461
Visual and Performing Arts	7	1.4%	18	3.5%	69	13.6%	154	30.3%		508
Grand Total	206	2.0%	419	4.1%	1,652	16.0%	3,385	32.8%		10,332

Timing of Retirements and Increasing College-Aged Population

Past experience cautions against predicting a sudden wave of faculty retirements, rather than a slowly increasing stream of departures, but any departures that do occur will take place against a background of increasing college student population and rising levels of student interest in and preparation for college. The retirement of those born in the first part of the baby boom era will overlap with the entrance into college of children born to later members of the baby boom generation (the baby boom echo).

PROJECTED 18-24 YEAR OLD POPULATION IN FLORIDA, 2005-15 (SOURCE: FLORIDA LEGISLATURE OFFICE OF ECONOMIC AND DEMOGRAPHIC ANALYSIS)



Conclusions

Demand for qualified postsecondary faculty in Florida will likely increase significantly over the next ten years, but demographics alone will not determine the year-to-year hiring trends. Budget limitations are a significant issue; funds freed up by faculty retirements may be used to maintain competitive salaries for remaining faculty, or may have to be shifted from low-demand disciplines where salaries are low into higher-demand, higher-salary disciplines where not as many faculty can be recruited for the same amount of money.

Furthermore, start-up costs in science and engineering fields can be very high, as labs used by departing faculty need to be updated for incoming faculty members' research projects. A 2002 survey of Research I institutions by the Cornell Higher Education Research Institute found that average assistant professor start up costs in these fields ranged from $390,000 in engineering to $490,000 in chemistry. Costs for senior faculty were considerably higher. Thus even a modest increase in faculty departures and replacements may have a considerable financial impact on universities and the system as a whole.

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