

MINUTES
FLORIDA BOARD OF GOVERNORS
STRATEGIC PLANNING/EDUCATIONAL POLICY COMMITTEE WORKSHOP
FLORIDA STATE UNIVERSITY
TALLAHASSEE, FLORIDA
APRIL 21, 2005

Mr. Dasburg, Chair, convened the meeting of the Strategic Planning/Educational Policy Committee Workshop of the Board of Governors at 8:10 a.m., in The Alumni Center, Florida State University, Tallahassee, Florida, April 21, 2005, with the following members present: René Albors; Dr. Akshay Desai; Ann Duncan; Dr. Stanley Marshall; Bill McCollum; Sheila McDevitt; Gerri Moll; Lynn Pappas; Ava Parker; Carolyn K. Roberts; Commissioner John Winn; Dr. Dreamal Worthen; and Dr. Zach Zachariah.

1. Cost per Degree

Mr. Dasburg said the Strategic Planning Committee had not discussed the “cost per degree” information at the March meeting. Dr. Kent Caruthers, MGT of America, Inc., said the Board had discussed its Systemwide degree production goals in March with Dr. Cyndi Balogh. He said MGT had also been retained to develop cost per degree estimates reported by university by level, with some programmatic breakout. He said the data had been further refined since it was first presented last November.

He said Florida had been a national leader in higher education cost analysis, as it had performed these analyses annually for nearly 30 years. This analysis focuses on the cost per student credit hour by course discipline and course level. He said Florida and other states had little experience in cost per degree analysis. He reviewed the cost per student credit hour by university and by level, and more detailed expenditures per student credit hour by discipline category and by course level. He noted the higher expenditures in the Physical Sciences and Engineering courses at the upper level, and the significantly increased costs at the Graduate II level.

He explained the taxonomy maintained by the National Center for Educational Statistics, the CIP, Classification of Instructional Programs. This taxonomy describes programs by 2-, 4-, and 6-digit codes. The cost per degree analysis was based on the 2-digit level of detail, and included both critical and non-critical programs, as described in the Board’s Y-axis.

He explained MGT’s methodology in analyzing cost per degree and the data bases which were utilized, including the Student Data Course File and the Expenditure Analysis Report. He illustrated the steps in the analysis from the data on student credit hours taken by course discipline to determine the costs by student major program by level and finally to cost per degree by program and by level.

He said he and Dr. Balogh and Dr. McKee and Dr. Johnson had visited with representatives of all the universities to discuss the findings and to address university concerns about these costing models. Several of the universities had presented alternate cost models.

A number of Board members suggested that the presentation be postponed to the next meeting so that they could see copies of the detailed slides. The presentation was terminated.

2. Review of State University System Strategic Plan

Mr. Dasburg said the Board had spent almost 18 months developing its Strategic Plan, and the goals for the State University System. He said the Committee members and the University Presidents had engaged in important discussions of the Board's designation of targeted degree programs for the State. He said the Agenda included mission statements for each university that the staff had extracted from the universities' posted mission statements. He said identifying the mission of each university was a critical responsibility of this Board. He said it was his intent to present the Strategic Plan, as it was presented in the Agenda, as a short and concise document. He described the strategies for the University System as they were identified in the Y-axis as the A., B. and C. strategies, with D. being the strategies for the universities to meet community needs and to fulfill their unique institutional responsibilities. He said the Draft Outline identified where the Board was in the strategic planning process at this point. He said the Committee had heard about geographic access at its March meeting.

President Genshaft said the research activities of the universities were missing in the original draft of the Strategic Plan. She commented that research universities are measured especially by the extent of their external and federal research funding. She said it was this research that gives universities the edge in measuring against other institutions, and to exclude this was to miss an important criteria. Mr. Dasburg agreed that a research component needed to be articulated in the document; there was no dispute on this point.

Mr. Dasburg said the format of the draft Strategic Plan, as presented in the Agenda, was likely to be the format for the final version. He said the proposed Strategic Plan would be sent to the Presidents for their review before it would be adopted by the Board.

Commissioner Winn inquired how the Strategic Plan would fit with the Board's accountability measures and workforce issues. He inquired if the Board would be acting on the university mission statements, as presented in the draft Strategic Plan. Mr. Dasburg said the Committee could accept these statements, as presented, or debate them further. He said that these could be accepted as they stood today, but could be refined over the coming years. He said he hoped the Committee could reach agreement on them at this meeting. Commissioner Winn said there was nothing in these mission statements that would limit any university from contributing to the big picture. He said these statements lacked specificity. Mr. Dasburg said the focus for the Commissioner was the state's interest in what the universities produced. He noted that the Board's approach was to determine if the universities were producing what the state needs, with considerable flexibility for the universities. He said that certain measures were relative to the Y-axis, but the Board was leaving it to the universities to set their own course. Commissioner Winn said he did not want to limit the universities. Mr. Dasburg said the universities were not limited and were free to explore.

Mr. Dasburg said this Committee has viewed its mission to set goals important to the state, but not to be micro-managing to the level of the unique aspects of each university's mission. Mrs. Roberts added that the Board was responsible to the State of Florida, and would continue to review the Strategic Plan and make changes as needed. She said the Board would need to make distinctive decisions about the universities; they could not all be the same. She said that at some point, the Strategic Plan would recognize and differentiate the missions of the universities. Mr. Dasburg proposed that the Board adopt this Strategic Plan, as presented.

President Wetherell said FSU would like to reshape its mission statement to reflect FSU more appropriately. He said he would like to make this correction prior to the adoption of the Strategic Plan. Mr. Dasburg agreed, but said the Board would adopt the Plan by the July Board meeting. He suggested that Board staff work with the universities to clarify the mission statements, and engage him if there were substantive disputes to be resolved.

President Brogan commented that the word "research" was nowhere in FAU's mission statement. He said this was not just a statistical error, but represented a major statement of philosophy at the state level. He said this was contrary to the feeling of the institution and does not speak to the growth in research at FAU. He said this was a statement that FAU was not to become a significant research university. If these statements determined what an institution could or could not be, these were restraining statements. He said he worried about inhibiting university opportunities. Ms. McDevitt said she understood these statements were drawn from statements made by the universities. President Brogan said these were being rewritten.

Commissioner Winn said the Board did not have specific criteria by which to approve these mission statements.

Mr. Dasburg said it would be a serious mistake to change these mission statements before May 15. The Board has analyzed the universities' contributions to statewide goals at present. He said there was no reason why FAU could not come back with revisions in the next cycle of planning. President Brogan said the document should accurately reflect now what the university was doing. Mr. Dasburg said this dialogue had been ongoing for the past 18 months. Mrs. Roberts said there had to be limits. The Strategic Plan should reflect the state's needs accurately.

President Genshaft said the criteria should include research expenditures. Mr. Dasburg agreed. He said the Board would approve the final document at the June meeting.

3. Follow-up: Recommendation from State University Presidents Association Regarding Goal for Targeted Programs

President Cavanaugh said the Provosts and the Presidents had discussed ways in which the universities could produce the targeted degrees specified in the Board's Strategic Plan. He said the State University System alone could not address all the

state's targeted needs without the full cooperation and assistance of the K-12 schools and the community colleges. The state needed good students at all levels.

Dr. Cavanaugh noted that the universities were already doing a good job vis-à-vis targeted degrees. He said the Board goal of achieving 50 percent of SUS graduates in these degrees was a bit thorny, as it would require redirecting students to different majors. Also, if the universities began foreclosing on certain areas of study, students might choose to attend school elsewhere.

He suggested that the universities would also need particular tools to meet these goals, e.g., new limited access programs, tuition variation, and easing of the excess credit hour surcharge. He said the universities should also be "held harmless" from enrollment corridor targets. He suggested modifying state-mandated, excessive course requirements in teacher education programs, noting the percentage of students in these programs had dropped over the past three decades. He suggested that the Board re-classify law as a high wage program, and elementary education as a critical need, rather than a high wage field. He noted that for the universities to produce the needed degrees in nursing and engineering would require a significant capital investment. He said the Presidents agreed on the need to meet the state's needs, but were concerned on how to get there.

Mr. Dasburg said the Board needed to define what is meant by success, suggesting that achieving 46 percent in targeted degrees might be success, rather than a 50 percent figure. Once defined, the Board needed to state what was needed to achieve that success in terms of resources, successful and prepared high school graduates, etc. He said there were few refinements necessary as to the goals as they exist at this point. Dr. Cavanaugh commented that all the universities were already working with the public schools.

Mr. Dasburg said the Board had agreed to establish a standing committee of the Board, the Economic Development Committee, chaired by Dr. Zachariah, to address revisions and refinements to the targeted programs included on the Y-axis.

Ms. Pappas said she was concerned about the question of student choice and about factors outside the control of the universities. Mr. Dasburg said the universities could not achieve these goals on their own. The Board was establishing a process in setting goals. The next step is determining how to achieve these goals. There may be impediments and resource limitations. Nobody yet knows how to achieve these goals. Ms. Pappas said student choice might be such an "impediment." Mr. Dasburg said the Board might use absolute numbers to define what the state needs rather than percentages.

Mr. McCollum said students in school are not focused on earning a degree that will get them a job. He said it was wrong to discourage degrees in the humanities and the fine arts. He said that was a part of the university experience and growing up. It is hard to channel students to think about earning a wage. Dr. Worthen cautioned the Board to be careful about putting incentives in place to channel certain majors. External factors often direct the student's choice of a major.

Ms. McDevitt commented that the Board was discussing providing for the needs of the state. It should also focus on the overall mission of any university and on the mission of the State University System. She added that defining targeted programs should not result in the elimination of traditional programs or those that add to the quality of life. These programs provide academic balance and are also a part of a university's mission.

Ms. Moll said it was clearly a challenge to produce more teachers. She noted that the decreased production of teachers was outside the control of the universities, and the Board would need assistance in achieving this goal from the public schools and from the Legislature.

Commissioner Winn said the University System was moving in the right direction. He recommended that the Board ensure a conscious, pro-active program direction for the universities to continue to be responsive to need, and that this should be a coordinated approach. The Board needed to be sure its list of targeted programs was correct. He said the cart might be ahead of the horse, as the University Boards of Trustees may already be moving to address growth areas and might need to seek waivers from state policies. He said the Board did need to know where each institution was and where it was planning for growth. Mr. Dasburg said the universities had already done their planning.

Dr. Cavanaugh suggested that the Strategic Plan should reflect the targeted degree needs of the state in numbers, rather than as a percentage.

Ms. Parker inquired about the "hold harmless" requests related to excess credit hours and enrollment targets. Provost Rosenberg explained that the universities were required to meet certain enrollment targets at each level. The universities did not want to be penalized for not meeting these targets. Provost Abele added that the universities were also concerned about losing minority students who were not now enrolled in the targeted degree areas. He said it was wonderful for the universities to address state needs, but this approach seemed to go against the tide of student interest and of the marketplace. He said students responded to the marketplace in their choice of degrees. He said this was quite complex. The Board might consider the incentives to be offered to students to enroll in certain programs. He said there had been a number of federal financial incentives in place when he had chosen to study science as a college student. Mrs. Roberts agreed. She added that the quality of the professors in a program was also an issue in the choice of majors.

Dr. Bryant said a great number of students enter the university knowing what they wanted to study. If the programs are not offered, they will leave the university. She suggested that the universities look at the targeted degrees and consider where the students would come from to achieve the results sought by this Strategic Plan.

Dr. Hitt agreed that the Plan should forecast the numbers needed by discipline, not the percentages. Ms. Parker said the Board should also remember the degrees produced by the independent postsecondary institutions in Florida.

Ms. Pappas said that as the Board looked at the targeted areas, the Board should consider those programs which are in need of physical plant as against those which are deficient for reasons of lack of student interest. Dr. Worthen added that the universities also needed to work with students in the public schools to develop their interests in these targeted fields. Mr. McCollum noted that the issues of capacity, demand, and the ability to adjust for these were all intertwined. The Board could not make a simple statement of demand, without considering how to increase that demand. Ms. Duncan noted that St. Petersburg College had had some success in creating demand for teacher education. She wondered how they had done this.

Dr. Marshall inquired where this was going. He cautioned that the Board should be careful in messing with market forces.

Mr. Dasburg said the Board members did not have any objection to goal-setting. He said the choice of a percentage figure was arbitrary. He inquired whether the Board members were willing to use numbers for the goals. Commissioner Winn said using numbers would aid the Board in measuring success.

The Board concurred in retaining the goals in the Strategic Plan, as presented, and identifying them with numbers rather than percentages.

Mr. McCollum clarified that the numbers would be included for the Board's priority areas, not in the non-priority areas. Ms. Duncan suggested that the Plan should acknowledge in some way the four-year degree programs at the four-year community colleges.

Ms. Moll inquired how these numbers would be allocated among the universities. Mr. Dasburg said the Board needed to develop a sub-schedule of areas the universities could solve on their own with the appropriate resources. He said some issues were solvable internally; some were not, but that there would be ample discussion of how the Board will achieve these goals. He said it was helpful that these issues had emerged. At the March meeting, the Board had the opportunity to address geographic issues in a strategic sense. Ms. McDevitt said there should be a statement that institutions outside the SUS were offering degrees that would help reduce the load for degree production, which would spare the state some costs.

4. Cost per Degree, Continued

Mr. Dasburg said cost per degree would be discussed at the June Board meeting. In the end, the Board needs to know how much it costs to produce what we produce, and use that information to make rational decisions. He said that as a proxy, cost per credit hour was not a good one. He said that in looking at the costs to move from the Masters to the Doctor of Physical Therapy, UF had focused on the revenue, not the costs. He said the Board never had a serious discussion on the costs. He suggested that the Board might also consider what it costs to produce the graduates of programs. Mr. Dasburg said the universities were also leery of how these cost figures would be used. Would these "costs" be used in determining the cost of new programs, for comparing programs or for process and methodology. Ms. McDevitt said the issue

was what the Board would do with this information. She suggested that the Presidents might proffer their recommendation.

Mr. Dasburg said if the figures were used to compare USF's cost of producing a degree versus UNF's cost, the Board ought to know this comparison. Another purpose might be to determine the different costs for a degree in anthropology and a degree in engineering. This could be used to convince the Legislature of the costs of producing degrees. Ms. McDevitt said the universities should also be interested in these costs.

Mr. Dasburg said the Board did need an overview of the data. He said the discussion should address each university's cost to produce a similar product and the cost to produce the product in the first place. Dr. Marshall said the Board in these discussions should also recognize the great variation among the institutions in the System.

5. Approval of Minutes of Meeting held March 24, 2005

Ms. Parker moved that the Committee approve the Minutes of the Meeting held March 24, 2005, as presented. Ms. Pappas seconded the motion, and members of the Committee concurred.

6. Adjournment

Meeting adjourned at 10:45 a.m., April 21, 2005.

John Dasburg, Chairman

Mary-Anne Bestebreurtje,
Corporate Secretary