

**Board of Governors**  
**Strategic Planning Workshop**  
University of South Florida  
March 24, 2005

**Background**

At the November 2004 meeting of the BOG Strategic Planning Committee, two consultants presented reports to assist the Committee in framing its discussion regarding the Board's strategic goals. One consultant, MGT of America, was requested to: analyze the relationship between the universities' strategic plans and the Board's strategic planning goals; identify key challenges facing the Board; and estimate costs associated with reaching the Board's goals. The other consultant, North Highland Company, was requested to develop a cost and degree production model to achieve the Board's goals.

Regarding degree production, the general conclusions of the consultants were that the universities' plans fell slightly short of the Board's goals for bachelor degree production, were slightly over the Board's goals for Master degree production, and greatly exceeded the Board's goals for doctorate degree production. The difference in the number of doctorate degrees was the primary reason why the operating cost of the university plans in 2012-13 would be, in current dollars, \$179 million more than the operating cost of the BOG goals.

The Strategic Planning Committee urged the universities to look closely at the data, indicating that it wanted to ensure that numbers and assumptions were correct across the system. The Committee also indicated that it wanted information on geographic access.

On December 16, 2004, the Division of Colleges and Universities (DCU) staff and the consultants had an all-day meeting with staff from all eleven universities to discuss the reports. Approximately 65 people were in attendance. These were primarily university staff directly involved in strategic planning on the campuses, such as institutional research staff, budget staff, and administrators.

MGT was then hired to refine a cost per degree model and to update their summaries and observations of university degree plans and plans for targeted programs. On December 22, a conference call meeting that included MGT consultants, DCU staff, and university staff was held to further discuss issues surrounding cost-per-degree calculations and targeted programs. After taking into consideration university comments, and after doing further analyses, MGT released its draft report to the universities for their review on January 19. From January 21-31, on-site visits were made by DCU staff and MGT consultants to obtain university input regarding the report. Universities were asked to submit in writing by February 1 data corrections to the report, comments regarding policy issues, and responses to the draft report. These corrections and comments were incorporated into the body of the final MGT report to the extent possible (Major changes received in university responses on February 1 were not incorporated due to time constraints; however, each university's response was included in its totality in the

materials mailed to the BOG members on February 11. Changes will be taken into consideration in future analyses.).

To respond to the BOG's concerns about Geographic Access, an expert in business geography, Dr. Grant Thrall, was hired to conduct an analysis for the Board. That analysis was included in the materials mailed to the Board on February 11.

## **Summary of Reports**

### **Geographic Access**

The report includes numerous maps showing the change in population between 2005-2010 by age group and by location to determine the potential demand for an increase in degree production, including an increase in degrees in certain fields, such as education and health care. Instead of being uniform across the state, the increase in population is clustered along corridors. As reflected in the report, "Those corridors are situated along the entire eastern seaboard from Jacksonville to Miami, and the western Gulf coast from the Tampa Bay area to Naples. Significant inland corridors exist as well, namely Leesburg southwest to Tampa, and Leesburg southeast to Orlando, and the I-4 corridor from Tampa to Daytona Beach."

Maps in the report also depict the primary SUS institutions for high schools where 40% of SUS-bound graduates attend a single state university; these maps reinforce the fact that UF, FSU, and FAMU serve the entire state, while other institutions primarily serve students in their surrounding areas. The maps also show high schools where no single SUS institution is the predominant university for attendance by the students; this may indicate a need for an expanded SUS presence in these areas.

### **Degree Production and Targeted Degrees**

The universities were concerned that having a goal for targeted programs does not take into consideration student demand, and that the list of current targeted programs focused on meeting statewide needs, not local and regional needs.

**STAFF RECOMMENDATION 1: An advisory group be created to: adopt criteria for inclusion on the list; develop a list within 12 months based on the criteria; and update the list biennially thereafter.**

Another concern that emerged during meetings with university staff is the relationship of the BOG's 50% goal to individual universities' plans for targeted programs. While the BOG goal of awarding 50% of degrees in targeted programs in 2012-13 was set as a systemwide goal, some universities were under the assumption that each of them must award 50% of their degrees in targeted programs. Because of their varying program mix and historical missions, such a goal would create problems for the universities (for example, not all universities offer degrees in Nursing, and New College does not offer a degree in Education). The MGT report indicates that a clarification of expected contributions of each university toward meeting this goal is needed.

**STAFF RECOMMENDATION 2: Fifty percent (50%) be maintained as a directional systemwide goal, with annual review to determine whether the goal remains appropriate;**

- **specific targets be limited to critical areas, such as nursing;**
- **universities be allowed broad flexibility within targeted categories to allow for institutional priorities and changes in technology and economy; and**
- **an accountability system be used to monitor growth rates and degree mix.**

The current BOG goal is for the system to award 50% of degrees in programs targeted as being critical for the development of the state's economy. The consultant imputed the BOG goal across the nine targeted program areas in proportion to:

- National distribution of degrees granted at public and private 4-year institutions
- Distribution of degrees granted at public and private 4-year institutions in large, economically competitive states.

MGT found that, in total, the production of degrees in targeted programs at each level is higher in Florida than in both of the above groups. However, there are specific targeted areas in which Florida lags behind these groups, especially for doctoral degrees.

While institutional plans match BOG goals fairly closely for production of bachelors, Masters, and first professional degrees, institutional plans greatly exceed the BOG goals at the doctoral level. During meetings with DCU staff and consultants, and through the written institutional responses to the draft report, universities have expressed a great deal of concern over the BOG goal for doctoral degrees, indicating that using a national average may not be an appropriate method to set this particular goal. MGT points out that the goal does not appear to support the Board's research goals. Further complicating the issue is the fact that professional practice-focused degrees, such as the Doctor of Pharmacy degree and the Doctor of Physical Therapy, are included in with the research-focused degrees (primarily Ph.D.s). The distinction between these types of degrees is being reviewed nationally.

**STAFF RECOMMENDATION 3: Goals be set differently for different types of doctoral programs as follows:**

- **Emerging Technologies Doctoral Degrees**
  - **Set goal of national average research funding per capita**
  - **Set goal for emerging technologies doctorates commensurate with national average research goal**
  - **Support growth and new doctoral programs in emerging technologies areas**
  - **Give special emphasis to biological/life sciences**

- **Critical Needs/High-Wage Doctoral Degrees**
  - **Support universities’ planned growth and new programs in doctorate fields in critical needs or high-wage areas (e.g. Physical Therapy, Nursing, Special Education)**
- **Non-Targeted Doctorate Degrees**
  - **Set no goal for doctorates in non-targeted areas**
  - **Allow growth consistent with university mission**
  - **Evaluate funding needs for growth on case-by-case basis for legislative budget request**
  - **Conduct rigorous staff review of new program requests**

To further assist in the Board’s discussion of issues raised in the report, university presidents (or, provosts, in the absence of their presidents) will be at the table.

### **Cost per Degree**

Since the Board was interested in information on the cost per degree awarded, MGT was charged with developing a cost per degree model. This exercise caused a great deal of consternation among the institutions. As MGT stated in its report, “Cost per degree is an unfamiliar concept for most of us. We have had little experience in calculating and interpreting cost per degree information. Most of our costing experience has focused on variation of cost per student credit hour (SCH). In the cost per SCH context, level and discipline usually serve to describe the attributes of courses rather than the students who receive degrees and their major fields of study.”

Data are collected, and have historically been collected, to capture costs by student credit hours, not degrees. Assumptions had to be made to determine how these available data could be used to calculate a cost per degree. It quickly became obvious that it would be impossible for all eleven universities to agree on the assumptions that should be used in a model, especially in the short time frame allowed and without knowing exactly how this information would be used.

MGT’s report points out that many university representatives felt that any type of calculation for cost per degree would be misleading, since a large amount of instruction does not lead to degrees, “...including courses taken by non-degree-seeking students, dropouts, and students who transfer out of the system. Some credits may lead to certificates, or completion of licensure requirements short of a degree, that are not reflected in the standard tabulations of degrees.” The report mentions other challenges to calculating cost per degree.

MGT developed its model using input from universities to the extent possible. Some of the universities developed alternative models to use and these were also included in the packet sent to the Board members on February 11.

Since the intended use of the model may influence its design, MGT recommends that the Board consider clarifying its intended use of the cost per degree information, such as for accountability, funding, or strategic planning.

**STAFF RECOMMENDATION 4: Clarification of intended use of information by answering the following questions:**

- **Would cost degree calculations be an appropriate mechanism for the following purposes:**
  1. **To compare programs within an institution for cost effectiveness?**
    - **To assist in program reviews?**
  2. **To compare programs across the system for cost effectiveness?**
    - **To assist in determining the most cost-effective locations for enrollment growth?**
    - **To assist in standardizing the cost of a program among institutions?**
  3. **For approval of new programs?**
  4. **To request funds for targeted programs?**
  5. **For funding allocations to universities?**
  
- **If cost per degree calculations are not to be pursued, how should program costs be analyzed?**

**STAFF RECOMMENDATION 5: If cost per degree calculations are to be pursued, or if another methodology is to be developed to analyze program costs, a systemwide task force should be created to develop a methodology that will be brought to the Board for approval within one year.**