



SURE FUTURES

POST-GRADUATE SCHOLARSHIP

PROGRAM

Concept Summary of Bill Proposal by

Rep. Kevin Ambler

Goals

- ✓ To provide for a better educated workforce by offering greater access to advanced degrees.
- ✓ To recruit and retain Florida's best and brightest graduate students by offering them comprehensive financial assistance and employment.

Concept

The proposal would be to match private sector businesses that need employees with advanced degrees with students seeking both advanced degrees and future employment. In this program, a company would select a graduate student, fund his or her education, and guarantee the student employment for four years with a Florida company once he or she has obtained a post-graduate degree(s) – the student agrees to maintain a pre-determined GPA based on the standard required by the corporate scholarship sponsor, finish on time, and repay the scholarship if he or she leaves early or changes majors, or is unable to fulfill the employment commitment.

For the first two years, the program would be limited to a total cost of \$10 million (based on reduction of general revenue from corporate tax credits). After that, the Legislature shall establish the appropriate levels based on the success of the program and number of corporations participating.

Administration

This roughly outlines how the program would work, exploring the options from the perspective of the graduate student, corporate partner, Department of Education, and the individual university. The program will be created as a public-private foundation, having a Board to help administer the program, with the guidance from the Board of Governors and Board of Education.

From the Student perspective:

- A student who is an undergraduate in their senior year attending a Florida university, or an out-of-state university but who would otherwise qualify for in-state tuition as a Florida resident, or a graduate of a Florida university and who intends on pursuing a graduate degree program at a Florida state university will obtain the list of Florida corporate partners and the majors for which the partners are seeking candidates. It will include profiles on each company, a description of the types of positions available under the program and the criteria for evaluating candidates.
- The student will apply through the program to each individual corporate partner using a standard application form. A pre-determined limit will be established for the maximum number of applications a student is allowed to submit in a given scholarship cycle.
- After the initial candidate screening and company interview phase, if the student is selected by a corporate partner, that student signs a contract agreeing to borrow the funds necessary to complete the required degree program, with a waiver of payment provision if the four year employment obligation is completed.
- The student receives funds to cover tuition and fees, books, room, and board (based on the university dormitory and meal plan rate) for each year he or she is enrolled full-time as a graduate student.
- The student must maintain a specified minimum grade point average, as determined by the corporate partner.
- During summer semesters, if the student can not take a full course load, the student may be required by the corporate partner to participate in an internship program.
- Upon graduation with an advanced degree(s), the graduate begins working for the corporate partner, and must remain employed by the partner for the time required by the agreement. The program contemplates a minimum commitment of four years at a company in Florida.
- If the student fails to maintain the required GPA or the graduate terminates his or her employment before the time required, the pro-rated portion of the scholarship converts to a low-interest loan.

From the Corporate Partner perspective:

- Corporations who desire new employees with advanced degrees shall donate funds to the program equal to the degree programs from which they wish to draw students.
- Corporate partners may establish any and all criteria for this, such as the degree sought, the minimum GPA required, extra-curricular activities, etc.
- Corporate partners may make the donations in one lump sum or on an annual basis.
- Corporate partners may select at which universities the students are eligible, or they may make their scholarship open to all 11 state universities.
- The corporate partners would then get a credit on their corporate income taxes equal to the amount of the donation.
 - The total tax credits available will be limited to \$10 million per year, minus the cost associated with administering the program, for the first two years.
 - After two years, the tax credits will be increased as more corporate partners participate in the program.
 - After five years, the credit will be reduced from 100% of the donation to 75%, and after ten years it will be reduced to 50% of the donation.

- The corporate partner would then hire the graduate, guaranteeing them a talented employee. (Hiring an employee in this fashion gives the corporate partner the chance to observe the abilities while he or she is in school. It also gives the corporate partner the ability to hire an employee without going into the labor market.)
- If the corporation terminates the employee for reasons other than malfeasance, misfeasance, or nonfeasance, prior to completing the time required by the agreement, the employee shall not be required to repay the scholarship. Prior to termination, corporate partners are encouraged to establish protocols to retain the employee.

From the Department of Education perspective:

- The Division of Universities will establish a central database of corporate partners and the majors for which the partners are seeking candidates for graduate programs. It will also maintain a data base of student applicants and profiles.
- The Division will come up with a standardized application for use at all 11 state universities.
- The Department will establish, on an annual basis, the amount necessary to cover the cost of the program; this amount would be taken from the amount set for tax credits.

From the University perspective:

- Information on the program would be made available through the appropriate office in each university (financial aid, academic advising, graduate admissions, etc).
- Anything more than simply having prepared documentation would be voluntary by each university. For example, personnel at each university may be involved, as deemed appropriate by university administration, in the following manners:
 - Providing more information than the prepared documentation (from one-on-one discussions by individual advisors to conducting seminars on the program).
 - Working with companies in their individual service area to create scholarships through this program for students at their individual campuses.

Program Governance:

- A Sure Futures Foundation will be created and shall seek 501(c)(3) designation – providing for additional benefits to the corporate donors. (The tax-exempt status will also provide for the future when tax credits are reduced).
- The Foundation Board shall be composed as follows:
 - The Secretary of Education in an ex-officio status
 - The Chair of the Board of Governors in an ex-officio status
 - Four University Presidents selected by the State University Presidents Association to serve two-year terms
 - Four Corporate Partners participating in the program, selected by the Governor as recommended by the Secretary of Education to serve two year terms
 - One graduate student, selected by the Governor as recommended by the Secretary of Education to serve a one year term
 - The Secretary, Chair of the Board of Governors, university presidents, and corporate partners may designate a specific individual to represent them at Board meetings.
- The Board shall approve all corporate partners and their scholarship specifics, establish a process for approving printed material, marketing, and advertising, and other issues important to the program. [The full powers of the Board shall be set in the proposed legislation.]

Miscellaneous Issues:

Other state agencies will be encouraged to promote the program, including local workforce boards, chambers of commerce, and Enterprise Florida. Consideration can be made for the Legislature creating an initial matching gift program as an enticement to Corporate partners to show commitment to the program. Program enhancements may also include a tuition waiver program for existing employees to go back to graduate school. Bright Futures and ROTC programs are familiar model programs to Florida universities which afford the benefit of lessons learned over many years to maximize ability to seamlessly implement program with existing scholarship offerings.

[PRESENTED TO THE STATE UNIVERSITY PRESIDENT'S ASSOCIATION BY
REPRESENTATIVE KEVIN AMBLER, HOUSE DISTRICT 47 (TAMPA) -- August 19, 2004]