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FLORIDA BOARD OF GOVERNORS
CAPE FLORIDA BALLROOM, STUDENT UNION
UNIVERSITY OF CENTRAL FLORIDA
ORLANDO, FLORIDA
JULY 23, 2003

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The Chair, Carolyn K. Roberts, convened the meeting of the Board of Governors in the Cape Florida Ballroom, Student Union, University of Central Florida, Orlando, Florida, at 2:25 p.m., July 23, 2003, with the following members present: John Dasburg, Vice Chair; Pam Bilbrey; Dr. Castell Bryant; Miguel De Grandy; Rolland Heiser; Commissioner Jim Horne; Gerri Moll; Dr. Howard Rock; Peter Rummell; Patrick Sullivan; and Steven Uhlfelder. Mr. Chris Sullivan joined the meeting by telephone conference call.

1. Call to Order and Welcome

Mrs. Roberts thanked President Hitt and the staff of the University of Central Florida for their warm welcome to the members of the Board of Governors. She recognized Dr. Terry Hickey, Provost, for remarks.

Dr. Hickey said he had just started at UCF on July 1, 2003, but he was very impressed by the tremendous growth of this metropolitan research university that could also demonstrate significant improvements in quality. Incoming students had an average SAT of 1170 and a 3.8 GPA. He noted that 85 percent of the Florida students enrolled last year had Bright Futures Scholarships; the University was pleased with its 83 percent retention rate of first-time students. He said the University was justly proud of a graduate recently named a Rhodes Scholar. He reported that the University had also experienced an increase in its graduate enrollment and now received more than \$89 million annually in research funding.

2. Report, Chair, Board of Governors

Mrs. Roberts said this was a historic meeting, the first meeting of the Board of Governors on a campus outside Tallahassee. She said the Board would hold future meetings around the State. She formally welcomed Mr. Rummel, Dr. Rock and Mr. Sullivan to the Board. She recognized Dr. William Proctor, a member of the State Board of Education, and members of her family, her husband, and sons, Fred and John, in the audience. She noted that President Maidique, FIU, was also in attendance.

Mrs. Roberts said several Board Committees had met earlier in the day; the Committee Chairs had set forth ambitious agendas for their committees. She said the State Board of Education would review and adopt the K-20 Legislative Budget Request at its August Board meeting, scheduled for August 19, 2003. She recommended that this Board hold a special meeting in Tallahassee on Thursday, August 7, 2003, to review and adopt the University System's Legislative Budget Request, to be included in the State Board's Budget submission.

Mrs. Roberts reported that she had written the Chairs of the University Boards of Trustees and the University Presidents inquiring of them the three most important things this Board should do as it established its plan of work. She said she had received thoughtful responses from the universities. All had said this Board needed to work to achieve adequate and stable funding for the universities in the System. The Board should adopt a Strategic Plan that specifies the relationship of the Board to the universities, and establishes goals for the universities which are consistent with the goals of this Board. The Board should develop an accountability system for the universities that supports the funding formula; this is essential in securing support for the universities from the Legislature. The Board was advised to seek authority for additional tuition flexibility for the University Boards of Trustees, and to engage in discussions regarding modifications to the Bright Futures and Florida Prepaid Tuition Programs. Last, the Board should address a university funding formula that provides for the different missions and programs of the universities.

She said this Board had an important role to play. She thanked the members for their willingness to serve on this Board and to serve as dedicated advocates for the universities.

General Heiser moved that the Board adopt the goals, as described by the Chair. Mr. Rummell seconded the motion, and members of the Board concurred.

3. Approval of Minutes of Meetings held April 30, 2003, and June 23, 2003

Ms. Moll moved that the Board approve the Minutes of the Meetings held April 30, 2003, and June 23, 2003, as written. General Heiser seconded the motion, and members of the Board concurred.

4. Chancellor's Report

Chancellor Austin said she had now served two months as Chancellor. She thanked Mrs. Roberts for her dedication to this Board and for her strong advocacy of higher education in Florida. She said the Board had earlier had an Orientation Session, but had not had time to hear from Mr. Daniel Woodring, the Department's General Counsel, on the requirements of the Sunshine Law and requirements imposed on them as public officers.

Mr. Woodring reminded the Board members that when two or more of them were meeting to discuss Board issues, these meetings required public notice. He cautioned them that materials and emails, received or sent, relating to this Board were public records of State business and subject to the Public Records Law. He said violations of the Government in the Sunshine Law carried criminal penalties. He said he was always available to answer questions from Board members.

Chancellor Austin said she and the staff had spent the past few months discussing and crafting the role of the Board of Governors as advocates for higher education. She thanked the universities and their staff members for welcoming her. She said she had begun to attend meetings of the University Boards of Trustees,

partners with this Board as advocates for the universities. She said she was particularly immersed in budget issues, including enrollment planning and PECO, preparing for the State Board's meeting on August 19, 2003. She said these issues would not be so rushed for this Board next year.

General Heiser inquired whether items should go to the State Board or to the Board of Governors for action or information. He asked who should properly decide the issue of fee waivers. Mr. Woodring responded that the current statutes were in effect prior to the effective date of the Board of Governors. He agreed that there were some duties of this Board that were currently described for action by the State Board that should come to this Board. These statutory requirements should be rectified. In the meantime, he said both Boards should be informed.

5. Status Reports, Board Committees

A. Performance and Accountability Committee

Mr. Uhlfelder said the provisions of HB 915 required the development of accountability measures for the University System. He said his Committee would develop these in a thorough and fair way, and that they should be cost-effective and not burdensome to the universities. The Committee would develop a reasonable number of these measures that would assure the public about what it was receiving in return for the investment of public dollars in educating students. There would be some measure of student achievement. He said the Committee would continue its discussion of the best accountability measures with student and faculty input. He said the CLAS exam, a possible measure, was taken by about 40 percent of students. The universities paid the costs of the test. He suggested that student scores on the Graduate Record Examination might be a measure. He said he recognized that the different institutions within the System should be judged on different measures, some of which might include research productivity, employer satisfaction, graduation rates, and success in the recruitment of minority students. He said for these to be meaningful, they should be broadly stated with room for institutional flexibility.

B. Facilities Committee

Dr. Bryant reported that the Facilities Committee had been briefed on the funding of university facilities. The Committee would continue to discuss the facilities component of the university budgets. She said the Committee had recommended that the Chair of the Board's Facilities Committee, Ms. Ava Parker, serve as a member of the Commissioner's Educational Facilities Task Force, and she so moved. General Heiser seconded the motion, and members of the Board concurred.

C. Finance Committee

Ms. Moll said the Finance Committee had discussed the Legislative Budget Request for the University System. Mr. Monteleone had described the

budget process. The Board's priorities for this budget were to fund enrollment growth, to provide matching money for the Major Gifts Program, and to fund the Florida Prepaid Program and the Bright Futures Scholarship Program. The Board will meet again on August 7, 2003, to review and approve the University System Budget prior to its consideration as a part of the K-20 Legislative Budget Request by the State Board of Education.

D. Strategic Planning/Educational Policy

Mr. Dasburg said the Strategic Planning/Educational Policy Committee had discussed its authority and responsibilities. He said Counsel had advised the Committee that the Board of Governors was responsible to articulate the strategic goals for the University System, subject to the appropriation authority of the Legislature. The Committee had asked the Chancellor to bring back to the Committee goals for the universities currently in place, data from the 1998 Master Plan, Strategic Imperatives adopted by the State Board relevant to the University System, goals prescribed by the Legislature, and any recommendations from other Task Forces or from the State Board of Education affecting the universities. The Committee would build its Strategic Plan on this foundation.

He said the Committee had also been advised by Counsel that this Board was responsible for establishing the mission and goals for the individual universities. The Committee had asked the Chancellor to compile a matrix showing the key elements of the universities' current mission statements; the Chancellor's staff could provide comment on those statements. The Board would be making determinations as to the allocation of scarce resources among the universities based on university mission, and the Board would need a process to make these allocations. Various considerations would apply to the decision-making. He said in the development of the Mission Statement, the Committee should begin by establishing overall goals, consider the goals of the individual universities, avoid wasteful duplication, include appropriate performance measures, and be accountable for expenditures. The issue of funding for the universities was also critical.

Mrs. Roberts suggested that the Executive Committee meet prior to the September 24, 2003, Board meeting to prepare a draft of the Mission Statement for the Board of Governors to guide the Board's actions to achieve its goals. General Heiser moved that the Executive Committee proceed to draft the Board's Mission Statement for the Board's subsequent consideration. Dr. Bryant seconded the motion, and members of the Board concurred.

6. Commissioner's Report

Commissioner Horne said he would keep the members of the Board of Governors apprised of the activities of the Department of Education and issues addressed by the State Board of Education relevant to this Board. He noted that staff in the Department, beyond the staff in the Division of Colleges and Universities, supported

the work of this Board, including Mr. Woodring, General Counsel; Mr. Monteleone, Chief Education Financial Officer, and Dr. McDougal, Director, Government Relations.

7. Update, 2003 Legislative Session

Mr. David Foy reviewed the 2003 Legislative Session and the education bills that had passed. He described several bills. The Legislature passed a bill limiting the presidents' salaries to \$225,000 from public funds. Legislation had passed creating the Institute of Human and Machine Cognition at UWF; the Chair of this Board, or designee, serves as a member of its Board. Legislation also passed creating the B.S. in Human Performance at FGCU. He said the Department would be busy developing the new K-20 accountability performance measures, on which 10 percent of the universities' funding would be based. Ms. Moll inquired about the Board members' terms. Mr. Foy said the Governor's Office would provide that information.

8. Discussion of University Enrollment Planning and Projections

Chancellor Austin said Proviso language in the Appropriations Act required her to submit a five-year enrollment plan to the Board by September 1, 2003. She had received preliminary data from the universities with their planned FTE enrollment growth through 2011-2012. She noted that these were university responses, not her recommendations to the Board. She said the projections showed planned undergraduate enrollment growth of 17 percent and graduate enrollment growth of 28.7 percent in 2007-2008; and planned undergraduate enrollment growth of 33.8 percent and graduate enrollment growth of 48.3 percent in 2011-2012. She reviewed the university plans for annual enrollment increases, and the university plans for upper-division, lower-division and graduate growth. She said staff would be analyzing this data to present recommendations to the Board at its meeting on August 7, 2003.

Mr. Uhlfelder said he had seen information that said students averaged 12.5 credit hours per semester. He inquired whether a block tuition fee would encourage students to take more hours. The Chancellor commented that block tuition might also have adverse effects on students. Mr. Uhlfelder also inquired about increasing the teaching load of faculty. Dr. Rock cautioned that there were faculty members with heavy research commitments. Commissioner Horne noted that the face of higher education was changing and that a significant number of students were part-time students. Block tuition would have a negative impact on these part-time students. President Maidique commented that universities could certainly "move" students through to graduation more rapidly, but the strategic issue was that students needed flexibility and different approaches in higher education.

9. Discussion of Legislative Budget Request Process

Mr. Ray Monteleone, Chief Education Finance Officer, described his vision for his role in the Department, and how he could serve the needs of the Board of Governors. He described the Guiding Principles of the State Board of Education and the guidelines within which the Legislative Budget Request was formulated. He reviewed the priorities: instruction and access, the Strategic Imperatives, other financial operations, and funds

allocated to the local institutional boards. He reviewed the sources of revenue, including General Revenue, Lottery funds, PECO funds, and matching money.

10. Consideration of Academic Programs

Dr. LeMon advised the Board that staff had reviewed five university requests for new Ph.D. programs; three programs were not being forwarded to the Board for its consideration. He said these two programs were included on the State University System's 1998-2003 Strategic Plan. Each program request had been approved by its Board of Trustees. He noted that programs at UCF and FAU had been selected for funding by the State Board of Education, designated as Centers of Excellence.

A. Implementation Authorization, Ph.D., Chemistry, UCF

Dr. LeMon explained the request from UCF to implement the Ph.D. in Chemistry. He said the University had presented compelling evidence as to the need for the program and the efforts in preparing this program. He said the University had retained an outside consultant to review the proposal; the consultant had submitted a favorable report.

Mr. Dasburg inquired of Provost Hickey whether UCF had adopted a position to cap enrollment. Dr. Hickey responded that he had been on campus only three weeks; the University had not taken a position to cap enrollment. He noted, however, that over 3000 FTE at the University this fall semester were not funded. Mr. Dasburg observed that there had been discussions by the University Presidents of capping enrollment. If the University were to cap the enrollment of incoming freshmen, he said he would be inclined to vote against this request given the Board's position on the importance of access to the universities.

Dr. Hickey commented that this program would address economic development needs and focused on areas of graduate program growth and on the strengths of the University. Materials chemistry was essential to the Optics industry, which was strong in the area. Industry was now attracting these chemists from out-of-state.

Dr. Maidique, as Vice Chair of the State University Presidents Association, said the issue of capping enrollment had been discussed by the Presidents on a telephone conference call, and had not been favored by a majority of them. They had agreed that the budget cuts had placed a load on faculty members and on the universities, and that they should grow very little or not at all in the face of these cuts. The Presidents were scheduled to meet again on August 15, 2003, and would discuss whether unfunded growth was in the interest of the universities. He also commented that graduate study was very different from undergraduate instruction, and that universities did not win major research contracts without doctoral programs.

Ms. Moll moved that the Board authorize implementation of the Ph.D. in Chemistry, CIP 40.0501, at the University of Central Florida, as presented. Dr.

Rock seconded the motion. Members of the Board concurred, with Mr. Dasburg voting no.

B. Implementation Authorization, Ph.D., Integrative Biology, FAU

Dr. LeMon explained the proposed Ph.D. program in Integrative Biology at FAU. He said the University had presented compelling evidence of need for the program. The University had retained an outside consultant to review the proposal, who had submitted a favorable report on the program.

Mr. Dasburg inquired of Dr. Nathan Dean, Interim Dean of the Schmidt College of Science, whether FAU intended to cap freshman enrollment. Dr. Dean responded that Teaching Assistants from the graduate programs were needed to teach Introductory Biology; the quality of these TA's were better with Ph.D. programs. He noted that the program would be connected with FAU's Center of Excellence.

Dr. Bryant said she was concerned about the statement in the materials that undergraduate teaching was not affected by these graduate programs. She said she would not support programs that took teachers out of undergraduate programs.

Ms. Moll moved that the Board authorize the implementation of the Ph.D. in Integrative Biology, CIP 26.0101, at Florida Atlantic University, as presented. Mr. De Grandy seconded the motion, and members of the Board concurred.

Mr. De Grandy noted that he had not supported Mr. Dasburg because these programs were linked to the Centers of Excellence recently funded at UCF and FAU. He said, however, that Mr. Dasburg had raised an important question about enrollment caps. He said the Board should adopt a policy on the issue of placing enrollment caps on freshman enrollment at the universities. This, however, should be a stand-alone decision, unrelated to the Board's position on authorizing new graduate programs. Mrs. Roberts concurred. She added that it was also important to have the right staff in attendance at the Board meetings to respond to Board member questions.

11. Status Report, Council for Education Policy, Research, and Improvement

Dr. William Proctor, Executive Director, described the projects and studies of the Council, including the study of the proposal for universities to contract with the State for specific services in exchange for a fixed funding amount. He thanked Mrs. Roberts who had attended a CEPRI roundtable prior to one of its meetings. He advised the Board that CEPRI staff were available to assist this Board.

Ms. Bilbrey inquired whether CEPRI posted its studies on its webpage. Dr. Proctor said the studies were posted by year and by topic.

12. Miscellaneous

Mrs. Roberts inquired of Board members how they wanted Board meetings to be structured. Following discussion, Board members agreed that meetings should last a full day, with committee meetings scheduled in the morning, followed by the Board meeting in the afternoon. She urged members to plan to spend a full day at the meetings.

13. Adjournment

Having no further business, the Chair adjourned the regular meeting of the Florida Board of Governors at 4:50 p.m., July 23, 2003.

Carolyn K. Roberts,
Chair

Mary-Anne Bestebreurtje,
Corporate Secretary