

Excerpt from Florida Board of Education Minutes – December 10, 2002

9. Consideration of Recommendations: Higher Education Funding Advisory Council

Secretary Horne said the Higher Education Funding Advisory Council had begun meeting in February 2002. During its meetings, the Council had reviewed funding to higher education, access, tuition, financial aid and labor market demand. The Council had focused on the question, “what would it take to get to a world-class system?” He noted that students in Florida experienced some success in moving through the education “pipeline,” but there was not that level of success in the production of baccalaureate degrees.

The Council had made a number of important recommendations. Florida needs to produce about 15,000 degrees annually over and above the increases already expected from existing institutions, with additional master’s and doctoral degrees to be at or near the national average within the next 10 years. The Council addressed the need for educating a skilled workforce. It addressed the importance of increasing Florida’s research and development capacity and visibility, and to make the need for strategic investments in targeted areas. The Council recommended that universities be authorized tuition and fee flexibility to move to the national average of public institutions. The Council recommended that the State honor existing commitments in the Florida Prepaid College Program and re-price and/or restructure future contracts to accommodate different tuition assumptions. The Council recommended an increase in need-based financial aid. In regard to the Bright Futures scholarships, the Council recommended that Academic Scholarships be indexed to the statewide average university tuition and required fees, and that the remaining two awards be indexed to the statewide average community college tuition and required fees. Further, the Council recommended that the K-20 Accountability System should allow for local funding decisions as well as performance improvement efforts. As for Performance-Based Funding, the Council recommended that in accordance with the School Code, K-20 education would meet the statutory requirements in phases and tie K-20 accountability to performance-based funding.

Dr. Proctor moved that the Board accept and adopt the recommendations, as presented by the Advisory Council. Mrs. Roberts seconded the motion.

Dr. Proctor said he favored maximum tuition flexibility and suggested that this issue should be delegated to the university trustees. He questioned whether there should be restrictions on tuition increases to the national average. He said this Board should address the degree of tuition flexibility it is willing to advocate for the local trustees. Further, a cap on financial aid takes away a certain degree of local flexibility. The percentage of aid awarded should be a local decision based upon the institution’s pricing strategy. He expressed his thanks for Mr. Tate’s views, but said it was unreasonable for the Prepaid and Bright Futures Programs to drive the future of the universities. At some point, this Board would have to make recommendations to address this issue.

Mr. García agreed and said the Board should go further with recommendations on financial aid. The universities need to be able to respond to the needs. Dr. Proctor suggested that at some point, he would like to argue to take the cap off tuition and fees and leave these decisions to the trustees who can best judge their own clientele. Mrs.

Roberts agreed.

Mr. Handy noted that tuition and fees went together with financial aid. He endorsed both the Prepaid and Bright Futures Programs, but that they needed alterations in going forward to allow the universities to obtain additional revenue. Secretary Horne said the intent was to maintain the integrity of both programs, but to make incremental adjustments. He said these recommendations would form the heart of the Board's legislative agenda. Mr. Handy said this Board was obligated to make its voice heard. There were no further comments, and members of the Board concurred.