Talking Points – State of the System Address

Florida Board of Governors

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The annual State of the System address was started by Ava Parker when she was chair, and is an opportunity to assess where we are as a system and where we need to go at the beginning of each year. Appropriately, the address is timed with the release of our Annual Accountability Report -- a scorecard, if you will -- that tells that same story.

As Governor Scott said when he addressed our Board in November, Florida has a lot to be proud of when it comes to higher education. We provide an affordable, high-quality educational experience. The Governor is right, but I think it is also true that we can and should get better.

Luckily, we have a terrific Board full of talented people – all of whom have been committed to developing a road map to excellence. Looking around the table, there are a number of new faces. I welcome and look forward to working with each of you. This Board operates a lot like a family – we don’t agree on every issue, but we respect each other and work well together, even while engaging in robust debates about the future of the System.

Our job, as set out in the Constitution, is to “operate, regulate, control and be fully responsible for the management of the whole university system.” In every action that we take, we must consider the effects -- not just on individual universities, but also on the system as a whole. We must encourage—and at times mandate—system collaboration. Our role and our responsibilities are different than the responsibilities of the university boards.

That spirit of collaboration extends to the Legislature, the Governor, the State Board of Education, the state college system, the private college system, and our state’s business leaders. Such collaboration is not always easy, but we are getting better at it. Several efforts that we have undertaken over the past year are indicative of that effort and none better than the Board’s Commission on Florida Higher Education Access and Degree Attainment, which was formed last summer to study the statewide need for future baccalaureate degrees.

Representatives on the Access Commission come from the State Board of Education, the Higher Education Coordinating Council, the Legislature, and the Council of 100. Hopefully, by the end of the summer, we will know whether the Board’s degree projections are correct, where we need to grow and how we should best accomplish it. This collaborative effort benefits not only the final work product, but also the way the System, and indeed the State works together to achieve a common goal.

To me, System collaboration is simply another way to think about governance. When I started my term as chair, I included governance as one of the three issues that were most important to me, along with Quality and Affordability. These three areas represent the bedrock of this Board’s work in moving toward greatness.

This Board has stood strong on governance issues during the past year, and we have much to be proud of. In addition to serving on two presidential search committees, the Board collaborated with the Legislature to co-develop criteria for the award of performance funding to universities who lead in the number of employed graduates in the computer and information sciences field. This is a significant development in our progress toward lump sum funding to the Board, and a performance-based funding model. I commend Senate President Gaetz for his leadership on this initiative, and it is my hope that lump sum grants continue to be funded and expanded in order to support our work to meet the strategic needs of this state.

During my State of the System address last year, I talked about the Board using its bully pulpit when things go bad. Several times over the past year this Board has had to do exactly that, and I expect that we will continue to do so in the future. We must continue to provide the leadership that the Constitution envisioned for us – the leadership that the citizens of the State of Florida expect from us.

One of the ways in which we can use our bully pulpit is to continue our focus on quality through our strong accountability system. Our accountability system has been heralded as one of the best in the country. Anchored around the 2025 Strategic Plan, our Annual Accountability Report, and our university work plans, this system is designed to drive improvements in academic quality, operational efficiency, and return on investment. Governor Kuntz has been working with Board staff on identifying specific metrics to be used for awarding performance funding in the future and for evaluating potential tuition differential requests. Importantly, the proposed metrics would consider not only standard assessments like retention rates, graduation rates, and post-graduation success, but would also include university-specific metrics driven by each institution’s distinct mission.

In the area of quality, the State University System is already a leader in many respects. The System continues to be ranked in the top ten nationally for six-year graduation rates. We continue to be ranked in the top five states for public university R&D expenditures with $1.76 billion in research expenditures. We are also ranked 3rd among all university systems in the US for undergraduate STEM degree production, and STEM degree production increased almost 30% in the past four years. As a System, we have an annual statewide economic impact of $80 billion – contributing more than 7% to the state’s gross domestic product and helping fuel more than 770,000 jobs. Our System is clearly providing a good return on investment for the state.

But all is not great. Even though our System stands at 66% for six-year graduation rates, half of our institutions have six-year graduation rates below 50%. Our System continues to lag behind on the number of national academy members. As a state, we rank 17th  -- well below the top public institutions. To give you an idea, Berkeley is ranked #1 and has 226 national academy members while all of our universities added together have only 38. If you want our system truly to serve as an economic engine for the state, we must have the resources to recruit the best and the brightest. Simply being “good” is not good enough.

I want to take a moment and share some personal comments about the Humanities and a liberal arts education. Everyone in the state, including me, has been pushing our universities to produce more STEM graduates. From my viewpoint, that is not to suggest that the humanities are not important. I don’t think anyone is interested in raising a generation that has no appreciation for literature, history or the arts. No one wants to live in a state without museums, orchestras, ballets or operas. No one wants to educate a generation of elected officials that don’t understand the difference between Thomas Jefferson’s view of democracy and Alexander Hamilton’s view. Most importantly, can you imagine a state without lawyers, real estate developers, or bankers – now maybe you can imagine that – but how about a state without the reporters that are here today covering our work or the teachers that we leave our children with every day – because most of the people in these professions majored in something other than STEM.

We need to strongly support the Humanities, but we should also provide our students and parents the information they need on future job prospects so that if they decide to travel that path they are doing so knowing what lies ahead. I also believe that all Humanities graduates should have a basic grounding in STEM, and all STEM graduates should have a basic grounding in Humanities. That’s why the work that we’re doing with the Florida College System to implement a common, general education core of courses that all undergraduates in Florida’s public colleges and universities must take is so important.

Before I end this address, I should note that our University System remains very affordable, with the 10th lowest tuition in the country. For the second year in a row, half of our universities are ranked among the top values by Kiplinger’s Personal Finance magazine. UF is currently ranked as the 3rd best value for public universities, and New College is the 7th best value. FSU comes in at 26th while UCF, USF, and UNF fall between 40th and 65th.

Remaining affordable is crucial, but this Board must be mindful of how it affects quality. Our students are the key to Florida’s future economic success. An investment in the System is really an investment for us all.

Given the difficult economic climate, support for higher education has been declining precipitously over the past several years. In the last six years, state support per student has dropped from 70% to 44% for the System—which translates to a loss of more than a billion dollars, including $300 million this year alone. We have been able to recoup $745 million mainly through tuition increases, but there remains a gap of $291 million.

These cuts have been taking place while the System has answered the call for increased access to higher education. Over those same six years, System enrollment grew by 9% -- an increase of over 35,000 students. In essence, our System has grown by the equivalent of a sizable university while losing enough state funding to support an entire university. We are obviously doing more with less. We are more efficient than ever. But it can only go so far. This decline in funding is not sustainable.

The bottom line is, under the circumstances, we are doing well, and we are getting better, but we are not yet great. We need to continue to collaborate, we need to remain transparent, and we must remain affordable. We are fortunate to have a Governor and leaders in the House and Senate who care greatly about what we do. They all have very talented staffs who work with us every day. And, luckily, everyone involved wants to make the State University System the best System of higher education in the country.

Thank you.