

**Board of Governors, State University System**  
**State of the System Address**  
**Chair Ned Lautenbach**  
**January 25, 2018**

I'd like to thank my fellow Board members for the opportunity to lead the Board and continue with the good work to make this the best system of higher education in the country. I'm humbled by your confidence in me and pledge to work hard to ensure that confidence is well-placed.

I'd also like to express my gratitude and appreciation to our outgoing chair, Governor Tom Kuntz, for his leadership, support, and the advances we've made over the last two years. These advances are due, in large part, to the course he set to make Florida a preeminent destination for students looking for a high-quality education. It's been a privilege to serve with Tom and he exemplifies the type of leader we should all aspire to be. So, please join me in recognizing Governor Kuntz for his tireless dedication to the success of our students over the past two years. We'll have more to say when we recognize Tom's achievements shortly.

As incoming chair, I want to build on that strong foundation. Our overarching goal is student success. Everything we do should lead to student success. Let me describe some of the priorities we need to tackle as a System to enhance student outcomes.

Affordability

A top priority is to keep our universities affordable for students and their families. According to the College Board, Florida ranks 49<sup>th</sup> in the country for the 2017-2018 resident undergraduate tuition rate for public colleges and universities. Thanks to Governor Scott and the Florida Legislature, we're keeping tuition low and have not seen a tuition increase since 2013. But there are other components that factor into the cost equation. Textbooks and time to degree are cost drivers because the longer a student stays in school, the more it's going to cost. Each year, the trustees are looking at ways to reduce the costs of textbooks. That needs to be a continuing focus in our Academic and Student Affairs Committee led by Governor Norman Tripp.

Recently, the Board revised Metric 3 in the performance-based funding model to focus on the net tuition and fee cost to the student. This metric incentivizes universities to –

- keep fees low
- reduce the cost of textbooks,
- ensure students only take the courses they need to complete a baccalaureate degree,

- increase the level of institutional financial aid to reduce the cost to the student, and
- counsel students to graduate in four years.

During the next two years, I want the Budget and Finance and Academic and Student Affairs Committees to keep affordability at the top of their agendas so we can build on the excellent foundation that's already been laid. Vice Chair Syd Kitson will chair the Budget and Finance Committee.

### Graduation Rates

Hand-in-hand with affordability is improving our four-year first-time-in-college (FTIC) graduation rate. The Board's *2025 Strategic Plan* calls for a 50% four-year FTIC graduation rate and a 70% six-year graduation rate. At 66.4%, the universities are doing a good job graduating students in six years and we're on track to meet the 70% goal. At 45%, we're also on track to meet the 50% goal for four-year graduation rates. While these are the goals in our *Strategic Plan*, I think we can do better. Also, there's much variability among our universities, with 67% of FTIC students graduating at our leading university as compared to only 18% graduating within four years at the lowest one.

For universities with graduation rates under 50%, we need to develop targeted initiatives to help students graduate in four years. I'd like to see those universities with four-year graduation rates that exceed 50% share their best practices system-wide to help those universities with lower graduation rates improve. Also, if it takes more academic counselors, tutors, or better student tracking systems to help students graduate in four years, the university boards of trustees should prioritize those initiatives in their annual work plans. I'd like to charge the Strategic Planning Committee to work with university leadership on ways we can improve the four-year graduation rate. We'll also have a workshop this year to focus on graduation rates.

### Academic and Research Excellence

Two years ago, Governor Kuntz laid the groundwork for raising the research stature of the System. We formed a Task Force on Research and met with the university Vice Presidents for Research to discuss how to amplify research activity at our universities. We learned research follows faculty and to increase the level of research activity, we had to attract talented faculty. We also learned attracting the best and brightest faculty requires state-of-the-art research space. Implementing both of these tactics requires an infusion of capital. So we approved a legislative budget request that gained traction with our state's leadership. Last year, the Legislature appropriated and Governor Scott approved over \$214 million for additional faculty and STEM-related facilities. We're grateful for their support to enhance our research profile and create a world-class system of higher education in Florida.

Because it's critical to build on that foundation, I'm forming a new committee to focus on Academic and Research Excellence and have asked Governor Levine to serve as chair and Governor Tripp to serve as vice chair. This new committee will subsume the work of the Task Force and take on the broader charge of developing system-level initiatives to enhance the national prominence of all twelve universities -

- through the promotion of academic programs of distinction,
- by increasing university research and research opportunities for students and faculty, and
- through the development of world class faculty and scholars.

In addition, the committee will support the System's efforts to translate research into economic development and strengthen the return on investment.

We'll be looking to the experts, the university Provosts and Vice Presidents for Research, as well as the Chancellor and Dr. Ignash, to assist the committee with its work. We're also focusing on academic excellence at every university. We want each university to have an academic program they excel at - programs that are recognized on a national or regional basis for their excellence. For example, Florida State University's School of Dance is ranked 2d in the nation. USF has been designated as a National Center of Academic Excellence in Information Assurance and Cybersecurity. Florida Gulf Coast has a top-notch PGA Golf Management Program. And FAU recently announced a new Honors Program in partnership with Max Planck that will provide one-of-a-kind study and research opportunities for students.

These are the types of programs of distinction that should be developed at each university so Florida becomes the destination state for students seeking a truly world-class educational experience. And I'm confident that this committee, working collaboratively with the universities, can help us get there.

#### 2+2 Articulation

It's also vital to student access that we continue the work of the Select Committee on 2+2. The committee developed a work plan that encourages universities to improve and expand existing local 2+2 enhancement programs and identify key components of effective programs. UCF and USF have developed strong partnerships with local colleges and we need a network of those same types of programs across the state. This will ensure students have ample access and opportunity to pursue a postsecondary degree.

#### Special Task Force: Drugs, Alcohol and Mental Health

Drugs and alcohol abuse are major problems across the country and in Florida. I'm creating a Special Task Force to focus on mental health and the ongoing challenges of drugs and alcohol on our campuses. I've asked Dr. Valverde to lead this effort,

working in conjunction with all 12 universities, to ensure that we're doing all we can to address these issues. As President Thrasher said recently, it's time to create a "new normal" code of responsible behavior on our campuses. It's also time to step up so students receive the assistance they need to deal with mental health issues. These challenges aren't Florida specific, but are occurring on campuses nationwide. But we can, and should be, addressing these challenges head on so that Florida serves as a model for other states!

I would like the Special Task Force to engage with the chairs and/or vice chairs of the boards of trustees since this is first and foremost a local challenge they are dealing with on their campuses. As a System, we have a lot of resources that could be brought to bear on this and we need to marshal those resources to achieve a positive and lasting result. This approach should be similar to what we did with the presidential search and selection process and the delegation task force where we worked as a team to develop guidelines that the entire System can use. In addition, the Governor is creating a special focus around the opioid crisis and we'll want to tap into this effort.

#### Working with Businesses and Business Leaders

We also need to continue to work with businesses and business leaders to develop internships, partnerships and cooperative programs. These activities will help our students find jobs and enter the workforce with the skills they need to be successful. We've been working with businesses and business leaders through our Think Florida initiative and the Board's Workforce Education and Economic Development staff, and with university career centers. We need to reinforce these efforts by working with the Florida Chamber to create a public dashboard that will educate students, parents, employers and policymakers on the jobs of tomorrow and the best pathway to get there. When Mark Wilson, the President of the Chamber, spoke to the Board last March, this was an exercise he flagged as essential to Florida's efforts to "back plan" now to meet the job needs of 2030. Every university needs to develop partnerships with businesses. Not only does it help students find jobs, but it also ensures our universities are responsive to employer needs in Florida.

#### Continuing to be a Leader in Online Education

The State University System must continue to be a leader in online education. Through the efforts of the Innovation and Online Committee, Florida has positioned itself at the forefront of expanding access to quality postsecondary courses through an online platform. We're the first system to develop a strategic plan for online education, and implementation of the strategies and tactics in the plan is in full swing. Many of these initiatives support the work of other committees: increasing the availability of open educational resources and e-textbooks will make education more affordable for students; sharing online services and resources will help institutions avoid costs that will, in turn, keep costs down for students; increasing the availability and quality of

online courses will help improve graduation rates and student success; and increasing the number of online programs will improve access for students, wherever they live.

Online education is the wave of the future; it allows students to access courses on demand and in place. A recent Wall Street Journal poll found that by 2020, 38% of students will be over the age of 24. Online education is very important for this group.

I'm turning the leadership reins to the committee over to Governor Morton with full confidence that he will bring the same careful and considered approach to making sure we get this right for future generations to come.

### Continue Collaborative Efforts with State Leadership

Finally, critical to the success of our System is the continued support of Governor Scott and the Florida Legislature. They've been strong proponents of the performance metrics and dedicated over \$690 million in new state funds to the performance funding model over the life of the program. This year, we are requesting an additional \$100 million in state investment and an additional \$70 million in the institutional investment, which if appropriated, would equalize the level of the state's and institutional investments. We're seeking additional funding because tying funding to performance has demonstrably improved student outcomes.

We are also seeking more funding for the operation and maintenance of university facilities. We have a responsibility as a Board to be good stewards of the vast infrastructure needs across the System and the state's investment in those facilities. This year, we are asking for much needed funding to meet the maintenance needs of the System, which continue to grow as our infrastructure ages and as new facilities come on line. We've asked the university boards of trustees and presidents to partner with us in seeking support from the state's leadership to help us keep our facilities in good repair and keep the lights on for our students.

### Conclusion

I want to recognize Governor Syd Kitson. This is his first meeting as Vice Chair, and I'm sure he already senses he has a lot of work cut out for him. Governor Kitson has impressed us all with his infectious enthusiasm, his commitment to higher education, and the knowledge he brings to the table. As our new Chair of the Budget and Finance Committee and the Vice Chair of the new Drug, Alcohol and Mental Health Task Force, he'll be a key partner as we work to implement the initiatives I've outlined today. We're fortunate to have him at the helm and I look forward to working with him.

In fact, I want to recognize and thank all of my fellow members and the Chancellor and his staff. The Board of Governors spends a great deal of time and effort to make our universities great. Most importantly as I said at the outset, for our students to succeed.

This is why we are here.

This is why I am here!

I look forward to working with all of you.