

HIGHER EDUCATION COORDINATING COUNCIL

2014 ANNUAL REPORT

SUBMITTED TO
THE GOVERNOR
THE PRESIDENT OF THE SENATE
THE SPEAKER OF THE HOUSE OF REPRESENTATIVES
THE BOARD OF GOVERNORS, STATE UNIVERSITY SYSTEM OF FLORIDA
THE STATE BOARD OF EDUCATION, FLORIDA DEPARTMENT OF EDUCATION



MEMBERS

Mr. Thomas G. Kuntz, Chairman
Marshall M. Criser, III
Dr. Randall W. Hanna
Mr. John A. Colon
Mr. Curtis Austin
Dr. Ed H. Moore
Mr. Chris Hart, IV
Mr. Al Latimer
Mr. Al Stimac
Ms. Susan E. Pareigis
Mr. Kenneth Burke

www.floridahighereducation.org

Administrative support for the HECC is in collaboration with the
Office of Articulation, Florida Department of Education,
The Florida College System, Florida Department of Education, and
The Board of Governors, State University System of Florida

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EXECUTIVE SUMMARY

Section 1004.015, Florida Statutes, establishes the Higher Education Coordinating Council (HECC) and requires submission of an annual report outlining recommendations. These recommendations must be in specified areas relating to access and economic development, performance outcomes, articulation policies and practices, and workforce development education.

The following recommendations are the result of intensive discussion in HECC meetings during the 2014 calendar year:

The Florida Legislature should:

- Continue to encourage and support all education sectors in defining key performance metrics to align with statewide higher education policy and fiscal goals, recognizing that performance benchmarks might differ by delivery sector and program;
- Broaden its commitment to seamless articulation pathways by incentivizing higher education institutions to increase the number and proportion of transfer students receiving credit towards their intended program of study always keeping in mind issues of accreditation and quality;
- Expand incentives to promote collaboration between the business community and the education system, utilizing our higher education assets as a component of our economic development activities; and
- Continue to align, prioritize and incentivize education funding to better meet Florida's industry talent needs through the use of the best available labor market intelligence and industry data.

In addition to the recommendations above, the HECC identified the following topics for continued exploration in 2015:

- Examining state merit and need-based financial aid programs to maximize benefits to Florida students, taxpayers, and industry talent needs;
- Instituting mechanisms that identify certificate and degree programs to meet current and future workforce needs; and
- Enhancing career education and counseling in middle and high schools.

PURPOSE

The HECC was created for the purposes of identifying unmet needs; facilitating solutions to disputes regarding the creation of new degree programs and the establishment of new institutes, campuses, or centers; and facilitating solutions to data issues identified by the Articulation Coordinating Committee to improve the K-20 education performance accountability system.

MEMBERSHIP

To fulfill this purpose, the HECC is composed of the following members:

Statutory Description	Member
One member of the Board of Governors, appointed by the chair of the Board of Governors	Mr. Thomas G. Kuntz HECC Chair
Chancellor of the State University System	Mr. Marshall M. Criser, III
Chancellor of the Florida College System	Dr. Randall W. Hanna
One member of the State Board of Education, appointed by the chair of the State Board of Education	Mr. John A. Colon
Executive Director of the Florida Association of Postsecondary Schools and Colleges	Mr. Curtis C. Austin
President of the Independent Colleges and Universities of Florida	Dr. Ed H. Moore
President of Workforce Florida, Inc., or his or her designee	Mr. Chris Hart, IV
President of Enterprise Florida, Inc., or a designated member of the Stakeholders Council appointed by the president	Mr. Al Latimer (designee)
Three representatives of the business community:	
<ul style="list-style-type: none"> • One appointed by the President of the Senate 	Mr. Al Stimac, President, Manufacturers Association of Florida
<ul style="list-style-type: none"> • One appointed by the Speaker of the House of Representatives 	Ms. Susan E. Pareigis, President & CEO, Florida Council of 100
<ul style="list-style-type: none"> • One appointed by the Governor 	Mr. Kenneth "Ken" Burke, Clerk of the Circuit Court and Comptroller Pinellas County, Florida

2011-13 HECC RECOMMENDATIONS IMPLEMENTED IN 2014

HECC Recommendation	Implementation
<p>The Legislature should align financial aid and grant programs to encourage and accelerate access, graduation, and time-to-degree.</p>	<p>The Governor and 2014 Legislature:</p> <ul style="list-style-type: none"> • Increased the maximum Florida Resident Access Grant (private, nonprofit) award from \$2,500 to \$3,000. • Increased the maximum Access to Better Learning and Education (private, for-profit) award from \$1,161 to \$1,500. • Increased Florida Student Access Grant funding by \$15 million.
<p>The Florida Legislature should continue to support the current workforce education delivery system that allows local institutions to determine program offerings to meet local business and industry personnel needs. Programs and courses should be market-driven, meet industry needs, cost-effective and result in employment for students. Which system provides the programs and courses should not be the issue that determines program offerings. The determinant should be whether the programs that are offered are market-driven and successfully prepare individuals for employment.</p>	<p>CareerSource Florida implemented a new “Regional Targeted Occupations List” process to replace the current Targeted Occupations List process. The RTOL:</p> <ul style="list-style-type: none"> • Promotes regional alignment and economic growth; • Eliminates inefficiencies in the previous process; • Creates regional and local flexibility in occupational targeting; and • Incorporates business and industry feedback in “real time” to complement traditional labor market information. <p>The Governor and 2014 Legislature:</p> <ul style="list-style-type: none"> • Provided \$5 million in incentives each to school districts and Florida College System institutions for completion of specific industry certifications
<p>The Florida Legislature should provide funding to support the Adult Degree Completion Pilot Project hosted by the University of West Florida.</p>	<p>The Governor and the 2014 Legislature:</p> <ul style="list-style-type: none"> • Created the Complete Florida Plus Program (including the Complete Florida Degree Initiative) at the University of West Florida. (ch. 2014-56, L.O.F.)
<p>The Florida Legislature should:</p> <ul style="list-style-type: none"> • Clarify the definition of a dependent by referencing federal financial aid guidelines for independent status to avoid discrepancy between the 	<p>The Governor and the 2014 Legislature enacted legislation that:</p> <ul style="list-style-type: none"> • Requires a university to waive out-of-state fees for certain students, including those who are undocumented

<p>determination of dependent or independent status for residency for tuition purposes and the determination of such status for financial aid eligibility;</p> <ul style="list-style-type: none"> • Revise the definition of legal resident to clarify that only US citizens and certain non-US citizens are eligible to establish residency for tuition purposes; • Add stepparent to the definition of parent to align with federal tax code; • Provide that an initial residency classification may be made on the basis of marriage to a Florida citizen to align with a similar provision for reclassification; and • Clarify that students who are eligible for certain tuition waivers and exemptions are automatically considered as Florida residents for tuition purposes for the duration of their eligibility for the waiver/exemption. 	<p>for federal immigration purposes, who attended a secondary school in Florida for three consecutive years immediately before a Florida high school graduation, enrolled in an institution of higher education within 24 months of high school graduation, and submitted an official Florida high school transcript as documentary evidence of attendance and graduation; and</p> <ul style="list-style-type: none"> • Addresses additional residency issues, such as prohibiting a dependent child who is a US citizen from being denied classification as a resident for tuition purposes based solely upon the immigration status of their parent and clarifying that a student who physically resides in this state may be classified as a resident for tuition purposes if marrying an eligible person. (ch. 2014-62, L.O.F.)
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2014 WORK AGENDA

In 2014, the HECC identified three key issues to address:

1. Performance evaluation and funding of higher education institutions

Higher education is facing a time of heightened attention by the federal government and state legislatures. Outcomes tracking and accountability continue to be examined to ensure higher education institutions are meeting the needs of the student, community, state and nation. As the federal government continues to strengthen regulatory requirements, a growing number of state legislatures are scrutinizing funding methodologies, with many opting to introduce a performance aspect to state appropriations.

In light of 2014 legislation establishing a performance funding mechanism for the State University System, higher education accountability was a topic of extended HECC discussion. The HECC was highly supportive of the establishment of a performance funding system for the State University System and expressed interest in the legislative requirement that the Commissioner of Education make recommendations to the Legislature for a performance funding methodology for the Florida College System by December 31, 2014.

2. Efficient and effective production of undergraduate degrees statewide

The HECC is mindful that the market is almost always the best driver for the production of degrees and certificates. However, as the Legislature and education sectors decide where to apply resources, the HECC can help them make more informed choices based on industry talent needs and postsecondary systems' comparative advantages.

In fact, the HECC is uniquely situated to examine and highlight the connections among the various education sectors and between the sectors and the workforce. The HECC will seek to identify the strengths of each sector and to realize the benefits of collaboration to increase the efficiency and effectiveness of degree and certificate production throughout the state. A first step in this process was the development of the Florida TalentNet, an inventory of all academic programs in the state, both public and private, that can be used as a tool for degree coordination and economic development.

3. Connecting degree and certificate production with industry talent needs

The HECC firmly believes that it is incumbent upon the state to incent postsecondary degree and certificate production in programmatic areas for which market imperfections impede the Florida economy from meeting its workforce needs. To enable this, though, one must both identify a gap in supply and demand and then determine the most efficient and effective ways to close that gap. While Florida's educational and labor market data are relatively robust, the HECC learned that there are multiple purposes for (and accompanying methods to conduct) such supply/demand analysis, each with its own set of caveats. Florida initiatives over the past few years in this area include:

- CareerSource Florida: Market Intelligence Portal -- Although CareerSource Florida has learned much about how disparate data sources describe Florida's global labor market from a supply/demand perspective, neither Florida as a state nor CareerSource Florida as an entity has developed a tool which will effectively and efficiently provide these data to the market. These data, and models, exist in extensive series of spreadsheets and computer code -- but typically require a researcher of some sophistication to make sense of the output. So, for example, a student who might be interested in career planning and who would benefit from a comprehensive understanding of supply and demand data associated with degree/career choices, data on wage outcomes from potential training providers and industry input on the chosen career path would have to consult a host of different sources to form a picture of the broader labor market. Assembling such data is a daunting task for a team of researchers with extensive experience. It is harder still for a student who lacks the data and research experience necessary to track down all of these (typically well-hidden) resources. Our experience at Career Source Florida has shown that the same holds true for many economic development entities, many postsecondary institutions and other training providers as well as interested industries and their representative groups. Although Florida's data are excellent, CareerSource Florida is constantly working to improve them and their usefulness. Thus, the general aim of the market intelligence portal is to provide user-friendly access to disparate resources in one comprehensive, easily-accessible package. CareerSource Florida's broad goals are four: a) create a comprehensive

forecast of supply (by CIP – Classification of Instructional Program – code) and award level (certificate, associates, bachelors, masters, advanced) at the national, state and county level (a significant addition to extant data that currently does not exist); b) make existing forecasts better by applying better methodologies to traditional forecasts at the federal, state and county level on the demand (SOC – Standard Occupational Classification System) side; c) blend these data in with other important data warehouses such as wage outcomes, programmatic success measures, industry-level labor market intelligence etc.; and d) provide an on-line interface which presents these data to multiple markets through multiple access points in an comprehensive, user-friendly fashion tailored to each individual class of users (students, economic developers, labor market experts, etc.).

- Department of Economic Opportunity: Florida Occupational Supply/Demand System -- The primary purpose of the Supply/Demand (S/D) System is to improve education and training alignment to better meet the hiring needs of business. The S/D System captures potential labor supply by occupation through workforce, public and private education (enrollees and graduates) and job seekers registered at career centers. Labor demand indicators are the Conference Board’s Help Wanted OnLine (HWOL) data series of monthly job ad openings by occupation (for short-term analysis) and DEO LMS average annual projected openings by occupation (for long-term analysis). Demand data is updated at a minimum each month with public education supply updated three times each year. The S/D System has been designed for workforce, education, business/economic development, job seekers, and students. Workforce and education will use the data to create better alignment of education and training offerings in meeting the hiring needs of business. Economic developers will have the most comprehensive and timely occupational data to determine available labor supply to support business recruitment; jobseekers can use the information for reemployment purposes; and students will benefit from having real-time information on job demand and wages now and in the future. Note: A new portal is being designed specifically for jobseekers, students, and parents that will be more graphical and easier to decipher undersupplied occupational information.
- Board of Governors, State University System: Commission on Higher Education Access and Attainment -- Workforce demand analysis supports state university system strategic planning to achieve optimal alignment with the state’s needs. The analyses inform planning for enrollment and degree production, review of existing and new degree programs, and in some instances the review of legislative budget requests. The state universities employ updated data sources for job supply and demand information with an intentional focus on direct relationships (partnerships) with their local, regional, and state employers to stay abreast of supply and demand issues.

2014 RECOMMENDATIONS

Based on the issues, above, the HECC submits four recommendations for consideration by state leaders in 2015. While each recommendation is actionable, the HECC has remained deliberately flexible on implementation details in order to provide maximum implementation flexibility. As always, the HECC stands ready to help state leaders craft meaningful solutions to the issues facing its education and workforce systems.

RECOMMENDATION 1: *For effective delivery of higher education and the state's continued demand for accountability in funding, the Legislature should continue to encourage and support all sectors in defining key performance metrics to align with statewide higher education policy and fiscal goals, recognizing that performance benchmarks might differ by delivery sector or program.*

The HECC is fully supportive of outcomes-based funding and the potential for identifying common measures across higher education sectors and programs. While members understand each sector and program has unique characteristics that would necessitate definitional differences, there are generally accepted measures of success for higher education, such as access, persistence, completion and job placement.

The new metrics developed by the State University System/Board of Governors have been recognized by the Legislature. Legislative appropriations continue to be closely influenced by performance and the State University System/Board of Governors is proposing amended measures for the 2015 session. The HECC also suggests that the work of the Board of Governors' Commission on Access and Attainment be expanded to include certificates and other degree levels.

RECOMMENDATION 2: *The Legislature should broaden its commitment to seamless articulation pathways by incentivizing higher education institutions to increase the number and proportion of transfer students receiving credit towards their intended program of study, always keeping in mind issues of accreditation and quality.*

The HECC recognizes the importance of each higher education sector in providing access and opportunity while bolstering Florida's economy. Knowing that student mobility is a reality, articulation and transfer policies are at the underpinning of Florida's public higher education system. There is room to advance our current transfer framework and build on the existing infrastructure by providing greater incentives to higher education institutions to recognize prior coursework and accelerate student progression (e.g., A.S. to B.S. articulation). At a time when degree completion is on the forefront of national public policy, the HECC recognizes an opportunity to retain Florida's status as the "articulation" state, always keeping in mind the importance of accreditation and quality issues.

RECOMMENDATION 3: *The Legislature should expand incentives to promote collaboration between the business community and the education system, utilizing our higher education assets as a component of our economic development activities.*

In order to grow Florida's economy and improve conditions for Floridians, the HECC is convinced that promoting business-education partnerships is a key strategy for the Legislature to adopt. Florida's higher education assets should be an integral part of the economic development efforts undertaken by state entities. That said, the state must not lose sight of the significant private investments donations from the Major Gifts Matching Endowment Program (SUS), Alec P. Courtelis Facility Enhancement Challenge Grant Program (SUS), Dr. Philip Benjamin Matching Grant Program (FCS), and Community Colleges Facilities Matching Program (FCS).

RECOMMENDATION 4: *The Legislature should continue to align, prioritize and incentivize education funding to better meet Florida's industry talent needs through the use of the best available labor market intelligence and industry data.*

The HECC recognizes Florida's rich data collection and analysis capabilities and supports continued emphasis on the use of data to inform higher education funding decisions. Thus, the HECC supports the ongoing development and utilization of state of the art labor market intelligence to identify Florida's industry talent needs. Once those needs are identified and fully analyzed, the Legislature should provide appropriate incentives to the public and private education sectors to develop and expand programs to close the gaps.

2015 TOPICS OF INTEREST

The HECC has identified the following topics for continued exploration in 2015.

TOPIC 1: *Examining state merit and need-based financial aid programs to maximize benefits to Florida students, taxpayers, and industry talent needs.*

The state needs to further examine and strike an appropriate balance between merit and need-based aid programs. Such programs must be aligned to maximize student access, persistence, and completion.

TOPIC 2: *Instituting mechanisms that identify certificate and degree programs to meet current and future workforce needs (See recommendations #2 and #3)*

Once appropriate labor market intelligence tools are fully developed, the HECC will consider their application for helping bridge talent supply/demand gaps in the state. Given the nature of its membership, the HECC is uniquely positioned to help identify the best tool or tools to accomplish this and, ultimately, to connect all the education sectors with the business community to minimize workforce gaps based on market forces.

TOPIC 3: *Enhancing career education and counseling in middle and high schools*

The HECC believes that there need to be enhancements to career education and counseling in middle and high schools. Providing such guidance to students as early as possible will only help them as they experiment with and establish career paths based both on individual preference and sound market data. While much progress was made by the Governor and 2013 Legislature in Chapter 2013-27, Laws of Florida, more needs to be done to comprehensively reach all students.

CONCLUSION

The growth in each of Florida's public and private educational sectors has provided challenges and opportunities for collaborative relationships to provide student access and avenues to a certificate or degree and then to employment. The ongoing strength of Florida's institutions and articulation systems, however, must not be taken for granted. These systems must be monitored and improved

to meet the challenges of ever-increasing economic and societal demands for high quality graduates. The composition of the HECC allows for a rigorous and productive discussion of the connections between education and the workforce.

In 2014, the HECC focused on policy issues that confront many states, such as workforce supply and demand, performance funding, and how to facilitate collaboration among higher education systems and between those system and business/industry, the ultimate consumer of our graduates. The HECC believes that current efforts in the areas of outcome-based funding should be encouraged and enriched with robust data. Collaboration between institutions, systems, and the business community should be incented, when appropriate, to promote student progress toward degrees that will benefit both the student and Florida's economy.

While, in 2015, the HECC will continue its collaborative discussions regarding how to better match workforce supply and demand, it recognizes that a combination of factors contributes to student preparation for college and careers. For example, the HECC applauds the work done in helping to prepare students as early as middle school for educational and occupational pursuits and intends to look toward market data and multi-party collaboration to enhance these efforts. Lastly, the HECC recognizes that the main barrier to student persistence is often financial support and that effective solutions must arise from a comprehensive review of state student financial aid programs, which promotes student access to a variety of delivery systems and careers.

As always, the HECC looks forward to tackling the inter-educational-sector issues facing today's students and employers. Its cross-disciplinary members stand ready to address any topic state policy makers deem vital to our state's current and future prosperity.