Chair Brian Lamb’s State of the System

January 24, 2024

Introduction

- Today, I come before you to deliver my 3rd State of the System address. I’m proud to serve this great state in my capacity as Board Chair alongside 16 other outstanding leaders committed to higher education.

Year in Review

- Let’s briefly reflect on the significant achievements made by the System in 2023:
  - We retained our ranking as the #1 state in the nation for Higher Education.
  - The State University System received record funding last year.
    - $1 billion increase over the last two years.
  - Key initiatives funded include:
    - $350 million for Performance-based Funding, up $85 million from the prior year and benefiting all 12 institutions.
    - $100 million for Performance-based Recruitment & Retention of Faculty – a new and incremental investment. Again, all 12 institutions participated.
    - $100 million for Preeminence Funding. The last time Preeminence Funding was received was in 2018 for $20 million.
    - $409 million for Operational Enhancements. Again, all 12 institutions participated.
    - Fixed Capital Outlay funding of $660 million for 39 projects across the SUS.
  - We remain the lowest in the country for undergraduate tuition.
  - Student debt levels continue to improve.
    - 77% of resident undergrads were loan free during the 2020-21 academic year, up from 75% the previous year.
  - 4-year grad rates increased from 50% to 60% in the last five years, and I am particularly happy to see year-over-year improvement.
    - FIU showed the most significant increase over the past five years from 39% percent to 60%, and UCF had the largest increase in the past year from 50% to almost 55%.
  - The SUS has also increased access for our students.
    - The SUS graduated more Pell-eligible students in 4 years.
Additionally, over 5,000 more African American and Hispanic students earned degrees in the most recent cohort.

- Last year, our Universities pushed our System to a record high in research expenditures of $2.5 billion, a 10% increase over the prior year.
- Florida now has three universities in the Association of American Universities (AAU). A special congratulations to USF, our newest SUS University in the AAU in the last 40 years.
- FAMU is the #1 ranked public Historically Black College and University (HBCU) for the fourth straight year and moved into the top 100 in U.S. News and World Report Rankings.
- Now let me shift to some of the work we have done with leadership. We have seen some new faces join both the BOG and BOTs: It’s great to have our newest Board of Governor appointee Ashley Bell Barnett join us. The BOG also appointed 8 Trustee appointments, and 3 new Presidential confirmations.
- Importantly, each President signed the Board’s Statement of Free Expression in 2019, demonstrating that Civil Discourse is an SUS-Wide commitment.
  - As you heard today, work is underway to renew that commitment across the SUS.
- These achievements would not be possible without the unwavering support of Governor DeSantis, legislative leaders, and our university leadership.
- And a special thank you to Chancellor Rodrigues, who wrapped up a very successful first year in the seat, and the BOG staff for your unwavering dedication to our system.
- The standard is set…the standard is high. The assignment is clear. We must continue this elite level of performance to prepare the next generation of our nation’s leaders.

- Building on our theme from the Trustee Summit…Better Together, and Together we are #1….we will forge ahead with four focus areas for the year:
  1. Student Success
  2. Faculty Excellence
  3. Innovation and Research
  4. Good Governance and Efficient Operations

**Student Success**

- My first focus area is Student Success.
- There are over 400,000 students in the SUS, each with dreams to transform their future and many, the first in their families to attend university. As a former SUS student, I understand and appreciate just how important these special years are in our student’s lives.
- Here are a few key considerations around Student Success.

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- First, performance-based funding.
  - The BOG is requesting $350 million dollars for performance-based funding in this legislative session.
  - We have experienced significant progress in all 10 of the performance-based funding metrics, positioning the SUS as the top System in the U.S.
  - I am asking for the support of our Legislature and Governor to continue their sound investment into the Board’s Performance-based Funding model.

- Next, align our curriculum to workforce needs in our state.
  - To position Florida for global competitiveness and produce exceptional talent, we must deliver curriculum and programs that align to current and future workforce needs.
  - One effort we’ve undertaken to align programs to workforce needs was the comprehensive review of our Programs of Strategic Emphasis.
  - We collaborated with Universities, The Florida Chamber, and the business community to receive feedback on the list of programs.
  - We removed 59 programs based on their recommendations resulting in an updated list that will better address Florida’s most critical long-term workforce needs and emerging market trends.
  - Trustees, Presidents, and Provosts, I ask that you accelerate your efforts to allocate financial investments and university resources to better align curriculum to workforce needs.

- The next consideration is a heightened focus on student job readiness.
  - I acknowledge that our Universities are individually doing a lot in this area, but collectively, I still think there is an opportunity to do more.
  - I have just a few questions for us to spark the dialogue:
    - As a System, what are the best practices for enabling job readiness?
    - Are we sufficiently connected with top companies on their emerging talent programs, and have we engaged our students in these opportunities?
    - In addition to internships/externships, what else could we do?
    - Should we have more key performance indicators in this area to better understand what success looks like for the SUS?
As we all know, these opportunities create exposure and a unique experience for our students as they prepare for life after college. This is an area I ask the Chancellor to consider in working with the Universities as we rethink our BOG strategic plan, which I will discuss later.

- Lastly, within student success, maintain affordability, with a particular focus on our in-state students.
  - All 12 institutions showed improvement in driving down the average cost to the student, which has now dropped to $2,940 after factoring in financial aid.
  - Scholarships, financial aid, operating efficiently, which you will hear me talk more about later, and many other efforts can help sustain our competitive advantage of cost to attend an SUS University.
  - Affordability continues to be a priority for the BOG while understanding we must always be prudent with how we fund the long-term strategies for the SUS.
  - I’m also asking our Universities to keep this top of mind as you review your strategic plans, investments and resource allocations.

**Faculty Excellence**

- Now, let’s move to the next focus area, Faculty Excellence.
- Currently, across the System there are more than 19,000 faculty members.
- In 2023, the System had 76 faculty who are members from the National Academies of Sciences, Engineering, and Medicine. This is a new high for the System.
- This past December, 8 faculty from across the SUS were named Fellows in the 2023 class of National Academy of Inventors, a highly recognized organization that honors and promotes academic invention.
- In the World Class Faculty and Scholar Program, our universities have used these funds to recruit over 150 faculty and retain over 2,600 faculty. These same faculty members transferred roughly $65 million in research funding to the SUS institutions they joined and have more than $518 million in research proposals under development or review.
- All of our universities contribute to Faculty Excellence, here are a few examples:
  - The 2024 Oersted Medal from the American Association of Physics Teachers was awarded to an FSU physics professor for having a lasting impact on the teaching of physics.
  - Three Florida Polytechnic University scientists were listed in the world’s top 2% of scientists by Stanford University based on the
number of articles they published and the citations their papers received.

- As I reflect on these specific faculty, I can’t help but think about my own journey and the impact that faculty and University leadership had on my life. Dean Bob Anderson, the former College of Business Dean at USF, had a tremendous impact on my life and helped me become the person I am today. In so many ways, I am sure many of you in the room can reflect on faculty that made a difference in your life as well. Every day, our students count on our faculty to have that same impact. I pause to say thank you to all of our faculty…so please join me in saluting our faculty for their tireless efforts to make our SUS the best in the country.

- As I look forward, here are a few considerations around Faculty Excellence.
  - First, the BOG has prioritized an additional $100 million LBR specifically focused on the recruitment and retention of faculty in the SUS.
  - Next, the BOG will continue to listen, learn and respond to input on how we can support faculty priorities.
    - We will continue our listening tours on campuses throughout the SUS to engage with faculty, senate leadership and other colleagues.
      - For example, in 2023 we listened to faculty and University administration early in the process of updating the Programs of Strategic Emphasis. As a result, the BOG added back 36 programs based on feedback we received from universities.
      - Presidents and Provosts, I am counting on you to engage with your faculty and listen to their requests and concerns.
  - Lastly, in the focus area of Faculty Excellence is post-tenure review.
    - Post-tenure reviews ensure that tenured faculty members at each university undergo a comprehensive review focused on evaluating if the high standards of quality and productivity are being met, while also honoring exceptional achievement.
    - For this, I call on Governor Cerio to continue prioritizing post-tenure reviews, inspect the process to assess whether we are getting the intended outcomes and consider feedback from the Universities as they progress in this area.

Innovation and Research

- Let’s move on to discuss the next focus area, innovation and research.
- The SUS made significant gains in research and innovation.
  - I want to take a moment to highlight the University of Florida, our flagship University in the SUS, and their efforts in the state.
Research spending at UF soared 15% to $1.25 billion in 2023. UF ranks 27th among publics and privates (16th among publics) for research spending.

Today, we’re fortunate that our great public universities serve Florida’s thriving metropolitan areas.

Right down the road…Jacksonville, the nation’s 5th-fastest growing metro, is one of only two of the 50 largest cities not served by a major Research 1 university.

One particular effort that I’m excited about is the UF-Jacksonville Graduate Center, which will address this key shortage and serve as an economic catalyst for the fast-growing Jacksonville MSA.

In partnering with Jacksonville’s existing higher education institutions, including the University of North Florida, and other civic and industry partners, UF’s Jacksonville Graduate Center will offer graduate degree and certificate programs focusing on high-growth and emerging fields, such as data analytics and Artificial Intelligence.

Governor DeSantis’ proposed budget for this fiscal year also emphasizes the importance of research and innovation. For example, the proposed budget includes:

- $80 million for research and development initiatives in semiconductor industries, artificial intelligence (AI) chips, and assurance (UF).
- $25 million to enhance cybersecurity programs and ensure competitiveness in the industry (USF & UWF).

I support the UF Jacksonville Graduate Center and with that, I look forward to UF bringing this opportunity to the BOG in March.

There are so many other examples of efforts like this in our SUS. I’m asking the BOG, driven by our Research and Excellence Committee, to explore other initiatives with our Universities that can accelerate research spending, commercialization and job creation in the state.

Good Governance and Operational Efficiency

- My last focus area is around good governance and operational efficiency.
- We have a responsibility to be good stewards of our state’s resources. Through prudent governance, sound financial discipline and regulation management, we can accomplish this goal.
  - Our leadership at both the BOG and University level must be relentless about this responsibility and move faster to reduce the number of nonessential, non-value-added regulations placed on our universities.
    - In 2023, we didn’t sit still in reducing regulations.
Chapter 14, the regulations on facilities, was overhauled.

We repealed 7 regulations and condensed 6 to streamline the requirements placed on universities.

In addition, 3 regulations were repealed for Academic and Student Affairs to remove duplicative requirements.

Today, I am asking our Presidents to task their General Counsels to quickly organize an effort to bring the BOG their top recommendations to streamline our non-statutorily required regulations and report these priorities to the Board by March.

In coordination with the Chancellor and BOG GC, please build upon the previous work done and sharpen your pencils on the critical areas that need to be addressed to further empower our Board of Trustees, Presidents and Universities in the spirit of good governance.

There will be more guidance to follow, and I look forward to reviewing your proposals.

Next, Accreditation was a top consideration in 2023 and continues to be a strategy that all of our institutions and the BOG will be focused on.

We underwent an extensive process, in collaboration with Governor Diaz and the Florida College System, to identify a list of accreditors suitable for our institutions. This new list maintains high standards, addresses university concerns, and improves costs.

UCF and Florida Poly have already embarked on this important journey.

I expect all Universities to advance their accreditation efforts and collaborate to make the best decisions for our students, faculty and the State University System.

Lastly, in this area of good governance, we need to renew our focus on the core missions of our SUS Universities.

Recently, significant challenges at America’s “elite” higher education institutions are now in plain sight. The headwinds of the nation’s elite institutions, laid next to the tailwinds and ascension of Florida’s universities, highlight that good governance matters.

Our bold governance policies ensure our institutions are committed, first and foremost, to student success, to civil discourse, and to a high ROI for those investing in the SUS.

Additionally, they ensure that our students and faculty are encouraged to share productive, and often debatable thoughts for the purpose of learning and ultimately contributing to the economy and a healthier community.
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- Universities, we are counting on you to deliver on your commitment embodied in our Statement of Free Expression to promote a culture of civil discourse and academic freedom.
- My ask is that our University leadership and BOG continue to hold true to the missions of our respective Universities and ensure the education we provide aligns with those missions.

Conclusion
- I’ve covered a lot, so thank you for staying with me. It’s abundantly clear the accomplishments of the SUS demonstrate why we remain the Number One State for Higher Education.
  - We are “Better Together, and Together We are #1!”
- With that, I formally request Governor Jones, Chair of the Strategic Planning Committee, to conduct a refresh of our 5-Year Strategic Plan.
  - Our current plan expires in 2025, and the time is right for the BOG to revisit the plan, including the focus areas and key considerations I mentioned today, so we are well-positioned for the future.
- In closing, it’s not lost upon me that so many of our universities have delivered quality education for over 100 years. In some ways, it’s fascinating that we continue to improve. I want to quickly share why the work we are doing today to set us up for the next 100 years is so important to me.