

Governors,

My sincere apologies for not being able to attend this important meeting. As you know, I am a strong supporter of our performance based funding model and believe it is one of the primary reasons our university system has achieved such nationally recognized success. However, if we are to maintain our preeminence, then we must continue to challenge ourselves and our universities to reach greater heights. It's with this in mind that I would strongly encourage all of you to review and revise our current performance metrics with an eye to making them more difficult to achieve. There should be no lay ups. No easy "10s" across the board. If everyone is achieving a perfect score then we should be questioning whether that metric is truly pushing anyone to be exceptional. Exceptionalism in any endeavor is hard, very hard, and we should, on behalf of students and taxpayers set objective goals that are difficult to achieve. By doing so we will ensure that Florida remains exceptional and our student graduates are better prepared and find greater success as they enter the workforce.

I have provided staff with several ideas on new performance measurements. Specifically, I believe we should be measuring all universities on their economic efficiency and management. Metrics such as how many FTEs per student a university employs, the ratio of how many highly compensated (over \$200,000 per year) employees there are per student and the actual cost (money spent) for each degree awarded per student.

I also think that as a bare minimum we should be vigorously enforcing our current rules such as ensuring that no school is providing out of state students with taxpayer funded subsidies. That's the law and rule under the Board of Governors and I believe if you repeatedly violate the law and/or BOG rules, then you should not be eligible for performance funding dollars. Ignorance of the rules and law is not an excuse. All of our universities have general counsels, access to outside counsel, highly paid administrators and our university Presidents have an absolute duty to ensure that the schools they run are in compliance and, if they are not, that they have an actionable plan in place to become compliant. By withholding performance funding until they are in compliance, we will ensure that there is a sharp focus on following the rules and regulations as set forth by our government leaders and this BOG and, when a misstep occurs, it is swiftly corrected.

It is my experience that if you truly care about something, you measure it. I believe we have a duty under our Constitutional mandate to care deeply about how are universities are spending taxpayer's money. By measuring and holding our leaders accountable we will ensure better outcomes for students and all Floridians. Of course, any changes to our current metrics will make some uncomfortable and any talk of withholding funding will likely draw vigorous opposition. But isn't that the point of having a performance based system? Shouldn't we be driving towards exceptionalism by setting very high standards, objectively measuring actual outcomes, holding leaders accountable for following the rules and rewarding those who do so? That's what high performing organizations do and Florida's universities should be no exception. Our students and our taxpayers simply deserve nothing less.

Thank you for all you do to make our system the best in America and my apologies again for not being able to attend in person.

Eric Silagy