



June 26, 2012

Mr. Dean Colson, Chair
Board of Governors
325 West Gaines Street, Suite 1614
Tallahassee, FL 32399-0400

Dear Chair Colson:

I would like to thank you for the opportunity last week at the Board of Governors' meeting to present the 2012-2013 Florida Gulf Coast University (FGCU) Work Plan, and the differential tuition recommendation of the Florida Gulf Coast University Board of Trustees. I am writing today in my capacity as acting Chair of the FGCU Board of Trustees.

On June 19, the FGCU Board of Trustees (BOT) adopted a recommendation to the Board of Governors (BOG) for a 14% increase in differential tuition for 2012-2013 at FGCU. The FGCU Board's decision came after considerable analysis and deliberation by the Trustees, given the University's unique and significant budgetary shortfalls related to cuts of 25% of our State-appropriated operating budget over the past five years. In response to the BOG's subsequent approval of a 12% tuition increase for FGCU, the FGCU BOT met on June 25 and unanimously approved filing a request for the BOG to reconsider the 12%, and instead approve the FGCU BOT's recommended 14% increase for the following reasons: **(I) Demonstrated FGCU Efficiencies, (II) Modest FGCU Reserves, (III) Imbalance in Parity for FGCU Student Funding, and (IV) FGCU Student Access and Success.**

I. Demonstrated FGCU Efficiencies:

- FGCU is a State University System (SUS) leader in efficiencies for "*Total Instructional Expenditures by Student Credit Hour*" with our \$158 expenditure per credit hour as compared to the SUS average of \$193 per credit hour. (*Attachment 1*)
- FGCU is 2nd highest in the SUS in "*Percentage of Degrees in 2009-2010 Without Excess Credit Hours.*" (*Attachment 2*)
- FGCU is ranked 1st in efficiencies in "*Full-Time-Equivalent Students per Full-Time Equivalent Faculty*" for 2009-2010, as compared to the University's nine aspirational peer institutions. (*Attachment 3*)
- FGCU is 2nd highest in efficiencies in "*Full-Time-Equivalent Students per Full-Time-Equivalent Staff*" for 2009-2010 for our peer institutions. (*Attachment 4*)
- An Office of Program Policy Analysis and Government Accountability (OPPAGA) report in 2009 ranked FGCU in the top 2 SUS institutions for classroom utilization rates, with 70% utilization.

II. Modest FGCU Reserves:

- At the start of the current fiscal year, nine of the State University System institutions had reserve balances ranging from \$25 million to \$205 million. As a 15-year-old university, FGCU's reserve was only \$6.9 million. (*Attachment 5*)

(continued)

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- For the 2012-2013 fiscal year, FGCU's reserve will be \$6.3 million. Our statutorily required 5% reserve, \$5 million, will bring the reserve balance to \$1.3 million. We have committed \$600,000 of this to help fill our budget shortfall with FGCU's \$3 million State cut. And, an additional \$650,000 has been committed for renovation of an existing building to provide space for new faculty joining FGCU in August to meet the needs of our expected 1,000 new students for the 2012-2013 academic year.
- A reserve balance of only \$50,000 for an entire fiscal year is dangerously low.

III. Imbalance in Parity for FGCU Student Funding:

- On average and as compared to the other 10 state universities, FGCU receives \$3,034 LESS in state funding for every Full-Time-Equivalent student. (*Attachment 6*)
- This parity imbalance is a function of FGCU's youth and dynamic enrollment growth against a backdrop of five consecutive years of significant State budget cuts. FGCU's base budget historically missed years of enriched State funding that continues to benefit the other state universities in helping to address current budget cuts.
- FGCU's current gap in State funding due to this parity imbalance is over \$17 million – which if appropriated, would go a long way toward lower tuition for FGCU students.

IV. FGCU Student Access and Success:

- In the SUS for "Employment – Bachelor's Degrees," FGCU has ranked in the top 3 universities since 2005-2006, and in the "Employment – Master's Degrees" in the top 2 universities since 2005-2006. (*Attachment 7*)
- Since 2005-2006, FGCU-awarded bachelor's degrees have increased **267%** for BOG Areas of Strategic Emphasis, **100%** for minority students, and **756%** for STEM (Science, Technology, Engineering and Mathematics) students. (*Attachment 7*)
- FGCU currently has physical capacity for additional students, but funding will be necessary to hire faculty and academic advisors for optimal retention and timely production of graduates.

In closing, Florida Gulf Coast University has demonstrated tremendous efficiencies and return on State investment in its brief but distinguished 15-year history, and we respectfully urge the Board of Governors to reconsider and approve the FGCU Board of Trustees' recommendation for a 14% differential tuition increase. This increase is essential to provide additional access to high quality higher education for the citizens of Southwest Florida and the State of Florida. President Wilson Bradshaw and I would appreciate the opportunity to be in attendance for the meeting of the Board of Governors' Tuition Appeals Committee should you need any additional information. We thank you in advance for the Board's consideration of this critical request for Florida Gulf Coast University.

Sincerely,

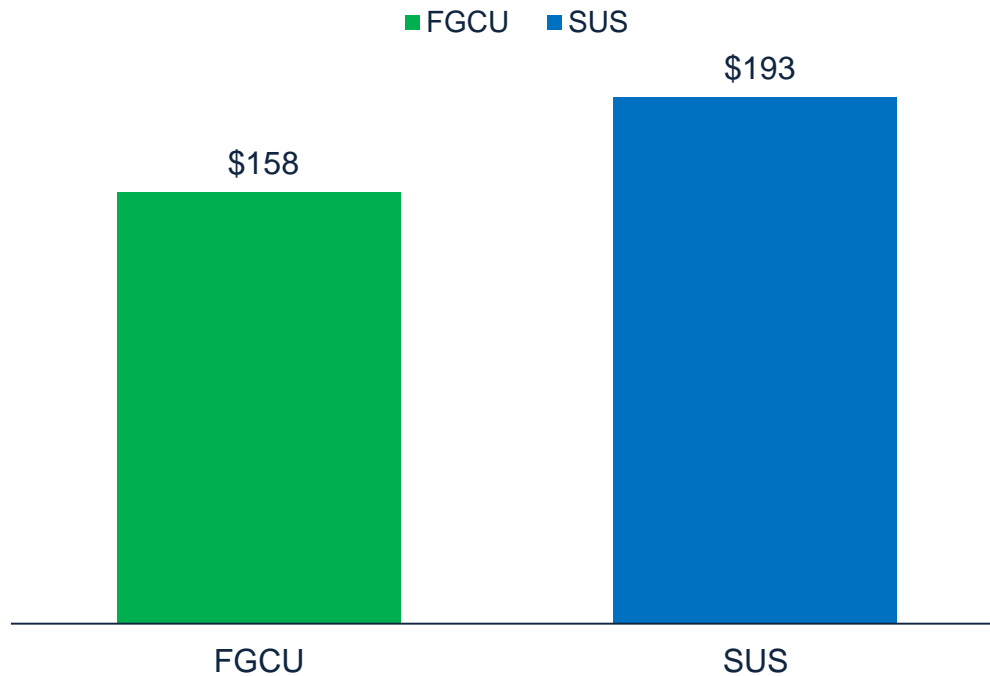


Ms. Robbie Roepstorff, Vice Chair
Florida Gulf Coast University Board of Trustees

c: FGCU Board of Trustees, and President Wilson G. Bradshaw
Attachments

2010-2011 Expenditures

Total Instruction Expenditures by Student Credit Hour





Top Three Initiatives

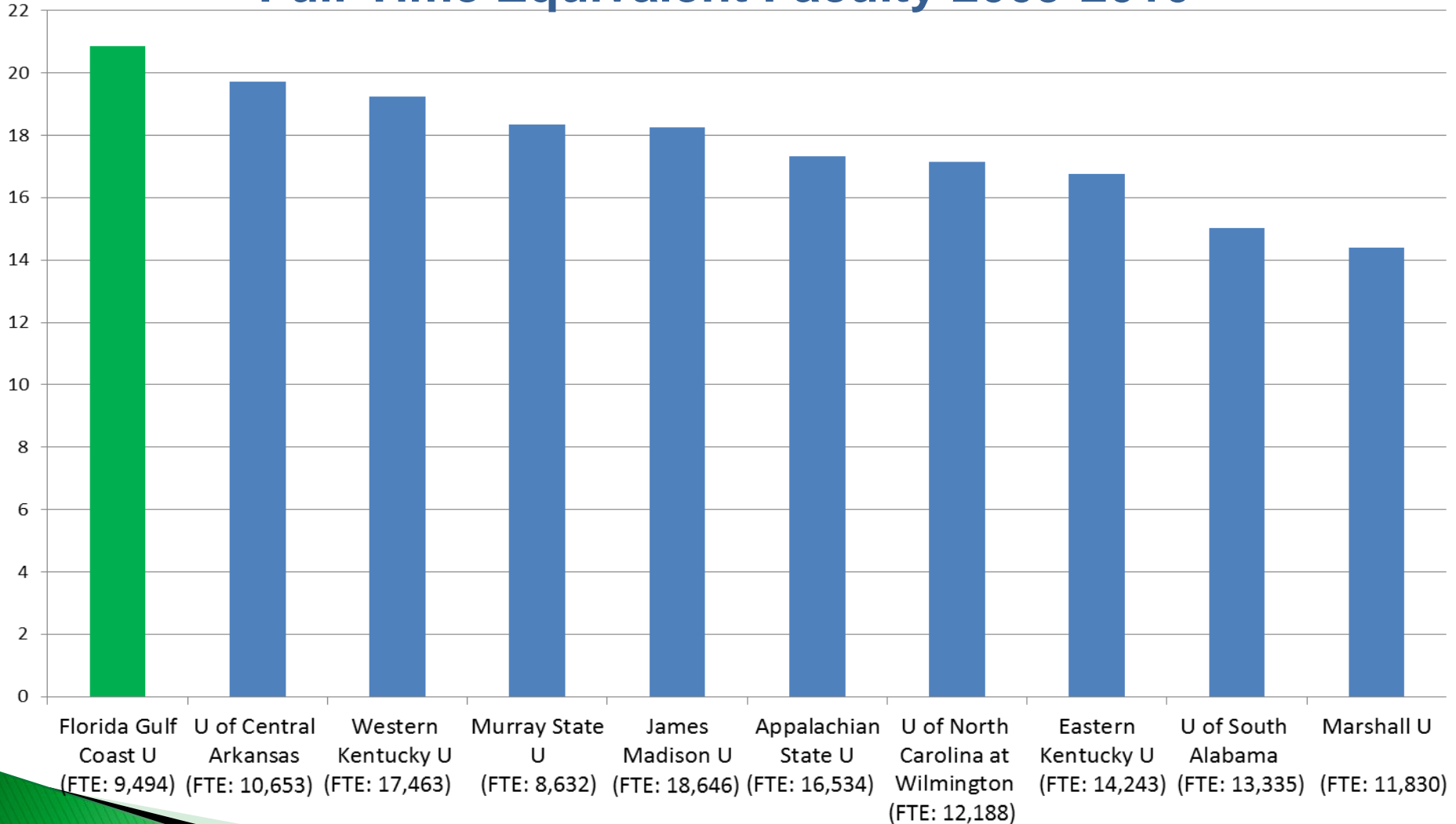
Operational Efficiency

Percentage of Degrees in 2009-2010 Without Excess Credit Hours (Source: OPPAGA analysis of SUS, FBOG.)	
University	Percentage of Bachelor's Degrees Awarded
Florida State University	61%
Florida Gulf Coast University	60%
University of Central Florida	60%
University of West Florida	57%
Florida Atlantic University	53%
Florida International University	48%
University of North Florida	40%
University of South Florida	39%
University of Florida	39%
Florida A&M University	18%
New College of Florida	N/A



Measures of Efficiency

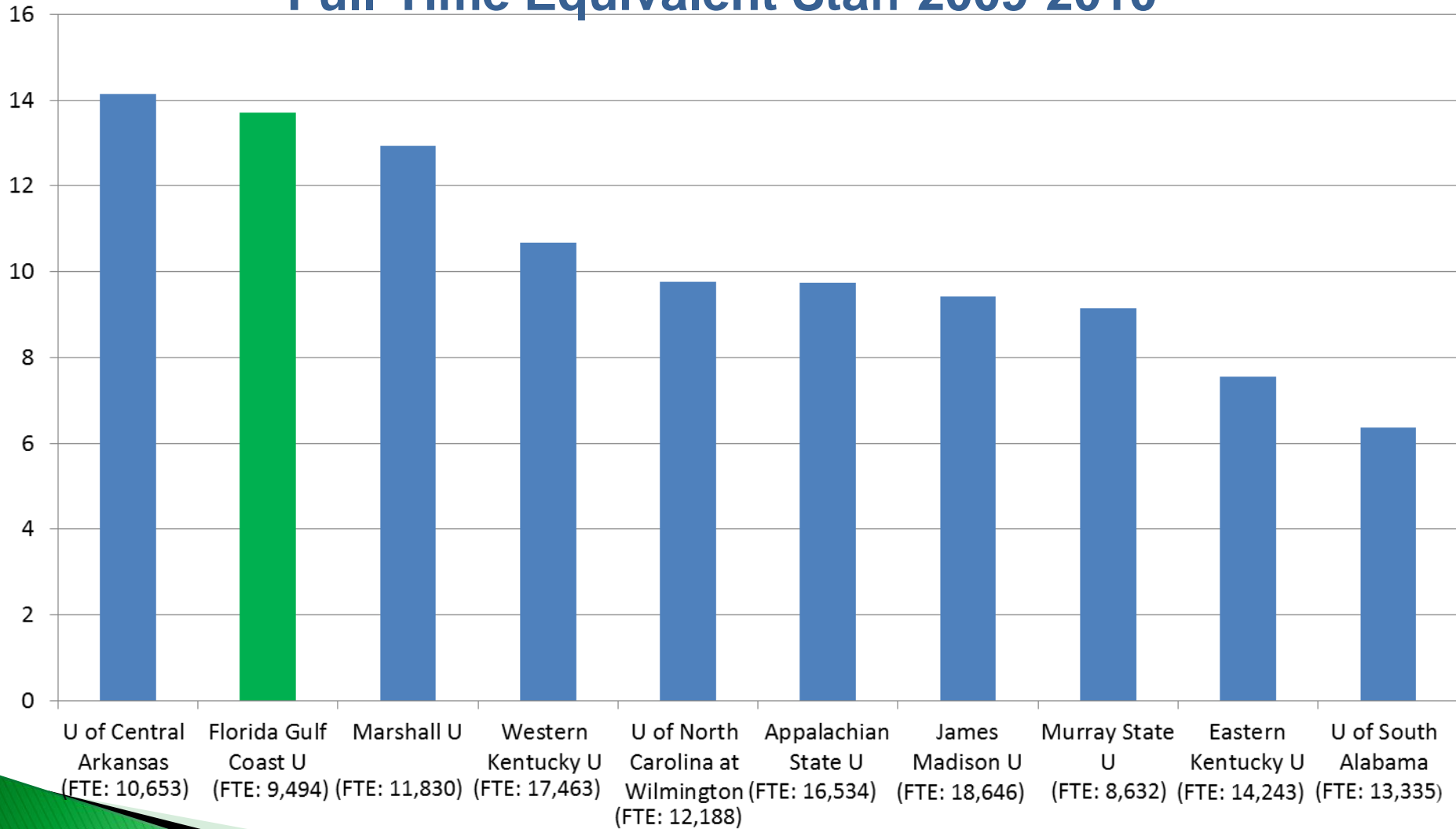
Full-Time Equivalent Students per Full-Time Equivalent Faculty 2009-2010





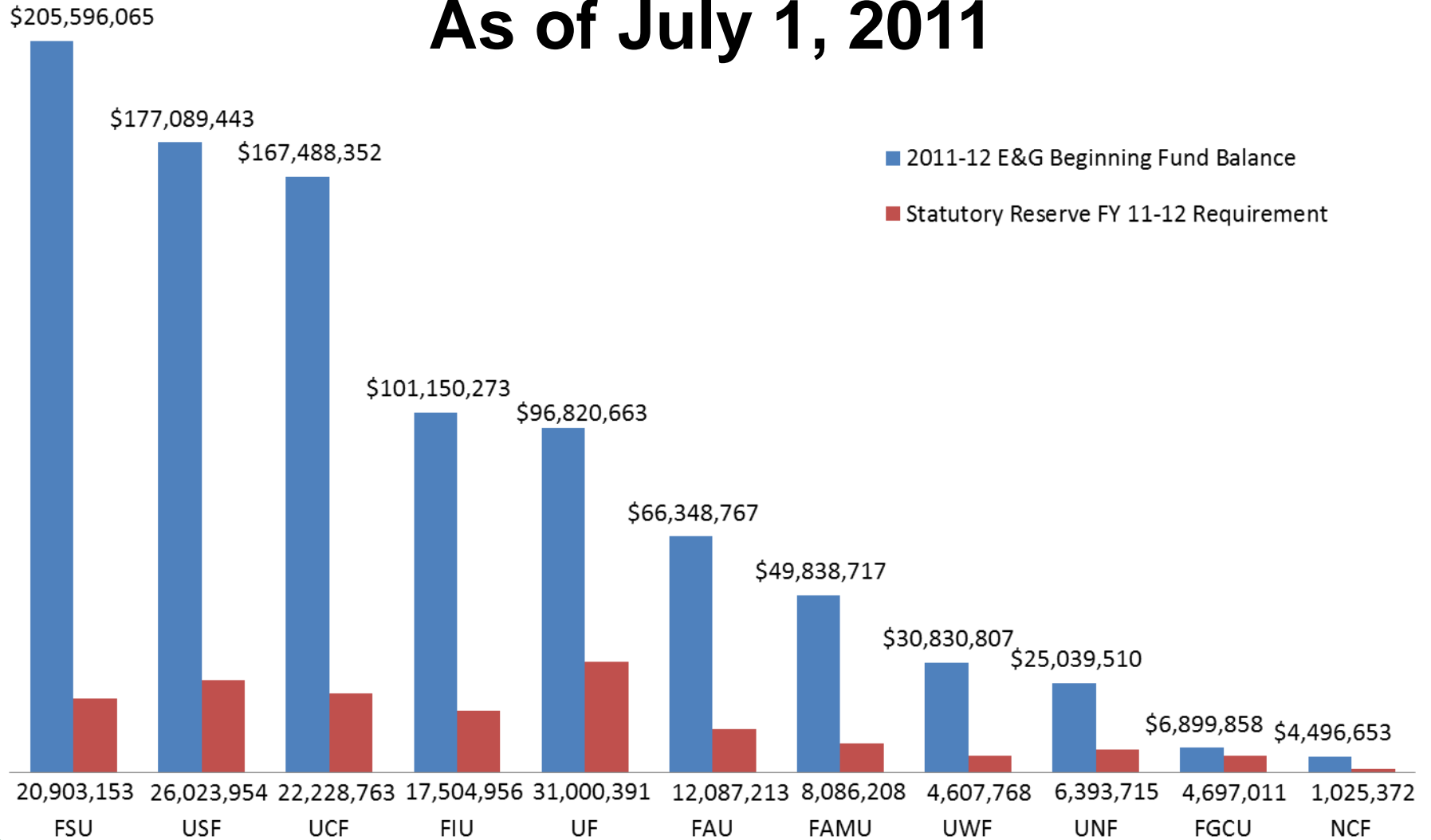
Measures of Efficiency

Full-Time Equivalent Students per Full-Time Equivalent Staff 2009-2010





SUS Reserve Balances As of July 1, 2011



Funding per Full-Time Equivalent Based on Fiscal Year 2011-2012 Base Recurring

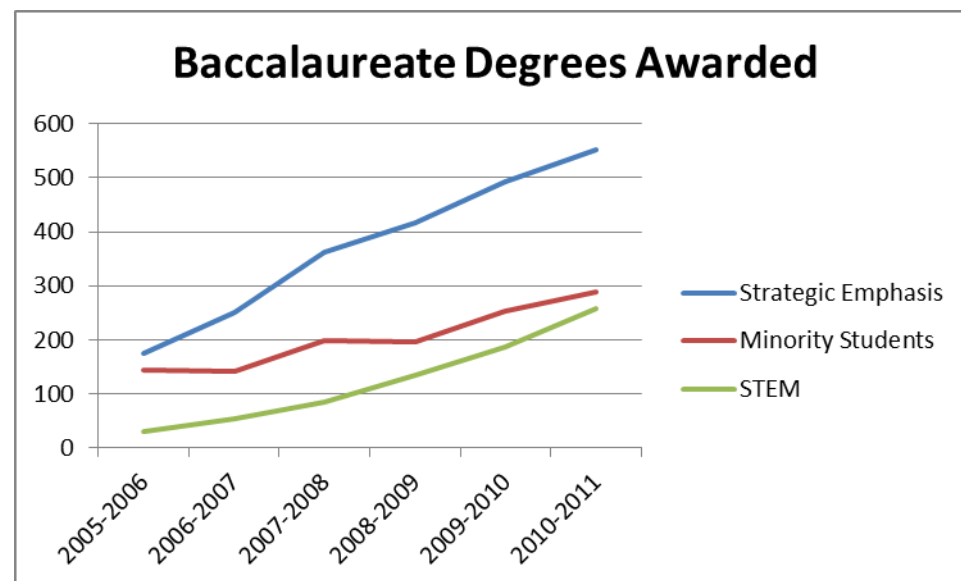
	FY 11-12 General Revenue Funding	FY 11-12 Lottery Funding	FY 11-12 State Support	FY 11-12 Estimated FTE	State Support per Estimated FTE
UF	\$ 240,110,532	\$ 37,988,901	\$ 278,099,433	33,089	\$ 8,405
FSU	\$ 212,068,236	\$ 31,842,814	\$ 243,911,050	27,792	\$ 8,776
FAMU	\$ 77,958,049	\$ 11,955,878	\$ 89,913,927	8,738	\$ 10,290
USF	\$ 147,720,683	\$ 28,167,234	\$ 175,887,917	23,073	\$ 7,623
FAU	\$ 124,146,676	\$ 16,752,123	\$ 140,898,799	17,093	\$ 8,243
UWF	\$ 44,971,239	\$ 6,559,435	\$ 51,530,674	7,364	\$ 6,998
UCF	\$ 188,102,761	\$ 29,021,906	\$ 217,124,667	38,721	\$ 5,607
FIU	\$ 139,218,157	\$ 24,713,883	\$ 163,932,040	28,376	\$ 5,777
UNF	\$ 59,124,472	\$ 10,303,191	\$ 69,427,663	10,379	\$ 6,689
FGCU	\$ 38,641,526	\$ 5,796,734	\$ 44,438,260	8,156	\$ 5,449
NCF	\$ 12,945,593	\$ 889,644	\$ 13,835,237	711	\$ 19,459

Top Three Initiatives

Return on Investment

***FETPIP Rank in SUS
(Post Graduation Employment)**

	Undergraduate	Graduate
2005-2006	1	1
2006-2007	2	1
2007-2008	2	1
2008-2009	2	2
2009-2010	3	1



*Florida Education & Training Placement Information Program