

The Florida Senate  
**COMMITTEE MEETING EXPANDED AGENDA**  
APPROPRIATIONS SUBCOMMITTEE ON HIGHER  
EDUCATION  
Senator Galvano, Chair  
Senator Perry, Vice Chair

**MEETING DATE:** Wednesday, October 25, 2017  
**TIME:** 3:30—5:30 p.m.  
**PLACE:** Pat Thomas Committee Room, 412 Knott Building

**MEMBERS:** Senator Galvano, Chair; Senator Perry, Vice Chair; Senators Bradley, Clemens, Farmer, Lee, Simpson, and Stewart

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TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	Review of State University Preeminence Funding - Board of Governors		Discussed
2	Review of State University Performance Funding - Board of Governors		Discussed
Other Related Meeting Documents			

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# BOARD *of* GOVERNORS

## State University System of Florida

Senate Higher Education Appropriations  
Subcommittee

Preeminence Funding, Performance  
Funding, Senate Bill 4  
Marshall Criser, III

October 25, 2017  
[www.flbog.edu](http://www.flbog.edu)



# Preeminent State Research Universities

- In 2013, Section 1001.7065, F.S., related to the Preeminent State Research Universities Program was created.
  - A collaborative partnership between the Board of Governors and the Legislature to elevate the academic and research preeminence of Florida’s highest-performing state research universities.
  - The Board of Governors shall designate each state research university that meets at least 11 of 12 academic & research standards set in statute as a “preeminent state research university.”
  
- In 2016, the Legislature amended the statute to include Emerging Preeminence.
  - The Board of Governors shall designate each state research university that meets at least 6 of 12 academic & research standards set in statute as an “emerging preeminent state research university.”
  
- Funding increases appropriated beyond the amounts funded in previous years shall be distributed as follows:
  - Each preeminent state research university shall receive an equal amount of funding.
  - Each emerging preeminent state research university shall receive an amount of funding that is equal to one-half of the total increased amount awarded to each preeminent state research university.



# Preeminent and Emerging Preeminent Institutions

In June, 2013, the Board designated UF and FSU as Preeminent.

Appropriation Year	UF	FSU
2013-14*	\$15 M	\$15 M
2014-15	\$5 M	\$5 M
2015-16	\$5 M	\$5 M
2016-17	\$10 M	\$10 M
2017-18	\$17.3 M	\$17.3 M
Total	\$52.3 M	\$52.3 M

\*In addition, UF received \$5 M for the Preeminent Institute for Online Learning.

In June, 2016, the Board designated UCF and USF as Emerging Preeminent.

Appropriation Year	UCF	USF
2016-17	\$5 M	\$5 M
2017-18	\$8.7 M	\$8.7 M
Total	\$13.7 M	\$13.7 M



# Preeminence Metrics

	Metric	Benchmark	UF	FSU	USF	UCF	FIU
1	Average GPA and SAT Score for incoming freshman in Fall semester	4.0 GPA; 1200 SAT	4.3 GPA; 1281 SAT	4.1 GPA; 1232 SAT	4.1 GPA; 1226 SAT	4.0 GPA; 1262 SAT	3.9 GPA; 1129 SAT
2	National Public University Ranking (in more than one national ranking)	Top 50	9	8	4	2	1
3	Freshman Retention Rate (Full-time, FTIC)	>= 90%	97%	93%	90%	89%	88%
4	6-Year Graduation Rate (Full-time, FTIC)	>=70%	87%	80%	67%	69%	56%
5	National Academy Memberships held by faculty	6	27	7	11	6	4
6	Total Annual Research Expenditures (Science & Engineering only)	>=\$200 M	\$742 M	\$243 M	\$449 M	\$188 M	\$134 M
7	Total Annual Research Expenditures in Diversified Non-Medical Sciences (Science & Engineering only)	>=\$150 M	\$483 M	\$231 M	\$229 M	\$180 M	\$122 M
8	National Ranking in Research Expenditures in at least 5 STEM disciplines as reported by NSF (includes public & private institutions)	5 in Top 100	7	7	7	7	5
9	Patents Awarded (over 3 year period)	>=100	307	101	314	178	26
10	Doctoral Degrees Awarded Annually (Does not include Professional degrees)	>=400	1,579	526	704	440	327
11	Number of Post-Doctoral Appointees	>=200	677	212	321	52	49
12	Endowment Size	>\$500 M	\$1.5 B	\$585 M	\$395 M	\$146 M	\$174 M
	<b>Number of Metrics Met</b>	>=11 Preeminent >=6 Emerging	<b>12</b>	<b>12</b>	<b>10</b>	<b>7</b>	<b>1</b>



# Preeminence: Senate Bill 4 Impacts

- Metric 4 – 6-Year Graduation Rate (Full-time, FTIC) of 70% or higher
  - SB 4 Change – 4-Year Graduation Rate (Full-time, FTIC) Rate of 60% or higher

Metric	Benchmark	UF	FSU	USF	UCF
6-Year Graduation Rate (Full-time, FTIC)	>=70%	87%	80%	67%	69%
4-Year Graduation Rate (Full-time, FTIC)	>=60%	67%	65%	54%	44%

- Allocation of Funds – Each emerging preeminent state research university shall receive an amount of funding that is equal to one-half of the total increased amount awarded to each preeminent state research university.
  - SB 4 Change – Each emerging preeminent state research university shall receive an amount of funding that is equal to one-fourth of the total increased amount awarded to each preeminent state research university

	UF	FSU	USF	UCF	Total
Current Allocation	\$17.3 M	\$17.3 M	\$8.7 M	\$8.7M	\$52 M
SB 4 Allocation*	\$20.8 M	\$20.8 M	\$5.2 M	\$5.2 M	\$52 M

\*Using 2017-18 Appropriations

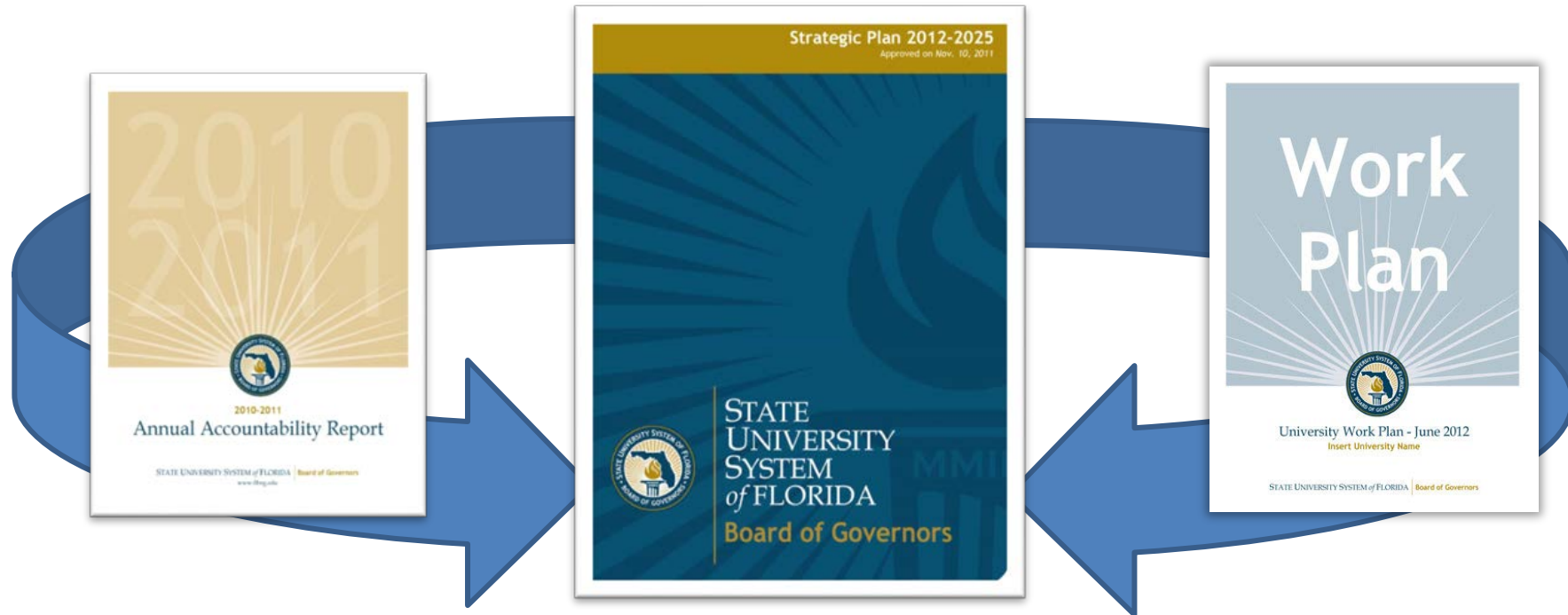


# Performance-based Funding

- Prior to 2008, State universities were funded based on enrollment.
- From 2008 – 2014, universities received increases when the legislature saw a specific need for university special initiatives.
- January 2014, the Board of Governors adopted the Performance Based Funding Model.
- Proviso language in the General Appropriations Act directed the Board of Governors to allocate performance funds based on certain metrics.
- In 2015, Section 1001.92, F.S. related to State University System Performance Based Incentive was created in the implementing bill and created again in 2016 in House Bill 7029 (Ch. 2016-237, L.O.F.).



# Three-Part Accountability Framework



**ANNUAL  
ACCOUNTABILITY REPORT:**  
Tracks performance on key metrics  
(past five years)

**SYSTEM-WIDE  
STRATEGIC PLAN:**  
Provides a long-range  
roadmap for the System

**UNIVERSITY  
WORK PLAN:**  
Provides a short-term plan of  
action (next three years)





# Performance-based Funding Model 2017-18

## Benchmarks (Metrics 1 - 7)

		EXCELLENCE (Achieving System Goals)									
Points		10	9	8	7	6	5	4	3	2	1
<b>Key Metrics</b>											
1	Percent of Bachelor's Graduates Employed (\$25,000+) and/or Continuing their Education Further 1 Yr after Graduation	72.8%	70.5%	68.3%	66.0%	63.7%	61.4%	59.2%	56.9%	54.6%	52.3%
2	Median Wages of Bachelor's Graduates Employed Full-time One Year After Graduation	\$40,700	\$38,200	\$35,700	\$33,200	\$30,700	\$28,200	\$25,700	\$23,200	\$20,700	\$18,200
3	Net Tuition & Fees per 120 Credit Hours	\$9,000	\$10,000	\$11,000	\$12,000	\$13,000	\$14,000	\$15,000	\$16,000	\$17,000	\$18,000
4	Six Year Graduation Rate Full-time and Part-time FTIC	70%	68.8%	67.5%	66.3%	65%	63.8%	62.5%	61.3%	60%	58.8%
5	Academic Progress Rate 2nd Year Retention with GPA Above 2.0	90%	88.8%	87.5%	86.3%	85%	83.8%	82.5%	81.3%	80%	78.8%
6	Bachelor's Degree's Awarded in Areas of Strategic Emphasis (includes STEM)	50%	47.5%	45%	42.5%	40%	37.5%	35%	32.5%	30%	27.5%
7	University Access Rate Percent of Undergraduates with a Pell-grant	30%	28.8%	27.5%	26.3%	25%	23.8%	22.5%	21.3%	20%	18.8%



# Performance-based Funding Model 2017-18

## Benchmarks (Metrics 8 - 10)

		EXCELLENCE (Achieving System Goals)									
Points		10	9	8	7	6	5	4	3	2	1
<b>Key Metrics</b>											
8.A.	Graduate Degrees Awarded in Areas of Strategic Emphasis (includes STEM)	60%	57.5%	55%	52.5%	50%	47.5%	45%	42.5%	40%	37.5%
8.B.	Freshmen in Top 10% of Graduating High School Class (Alternative metric for NCF only)	50%	47.5%	45%	42.5%	40%	37.5%	35%	32.5%	30%	27.5%
9.A.	Percent of Bachelor's Degrees without Excess Hours	80%	77.5%	75%	72.5%	70%	67.5%	65%	62.5%	60%	57.5%
9.B.	Faculty Awards -- FSU	25	20	15	13	11	9	7	5	4	2
9.B.	Faculty Awards -- UF	31	27	23	21	18	15	12	8	5	3
9.C.	National Ranking for Institutional & Program Achievements (NCF Only)	5		4		3		2		1	
10	Board of Trustees Choice (Excellence Scores different for each university)										

		IMPROVEMENT									
% Improvement		5.0%	4.5%	4.0%	3.5%	3.0%	2.5%	2.0%	1.5%	1.0%	0.5%
Points		10	9	8	7	6	5	4	3	2	1



# 2017-2018 Performance Funding Allocation: \$520 M

	Points	State Inv. (millions)	Institutional Inv. (millions)	Total
FAU	72	\$19.4	\$21.8	\$41.2
FIU	68	\$27.5	\$30.8	\$58.3
FSU	81	\$38.5	\$43.3	\$81.8
NCF	75	\$2.5	\$2.8	\$5.2
UCF	78	\$35.7	\$40.1	\$75.8
UF	95	\$55.1	\$48.5	\$103.6
USF	84	\$45.4	\$39.2	\$84.6
UWF	82	\$21.0	\$12.1	\$33.1
Total		\$245.0	\$238.6	\$483.6

	Points	Institutional Inv. (millions)
FAMU	65	\$13.9
FGCU	66	\$9.7
UNF	58	\$12.9
Total		\$36.5

For 2017-18 all of the SUS institutions scored 51 points or higher so no base funds were at risk. Universities in the bottom 3 were not eligible for the State Investment.



# University Investments

## Among all universities:

✓ **87** new advisors to focus on student retention and graduation, offering mentoring, tutoring and other services.

✓ **7** revamped career services centers with a focus on student advising and establishing partnerships with local businesses.

✓ **400+** additional faculty in high-wage, high-need areas.

✓ **9** universities invested in software to target struggling students and improve graduation and retention rates.



# Performance by Metric - 2014

Metric	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF	Highest Benchmark
Percent of Bachelor's graduates employed and/or continuing their education further 1 year after graduation	60%	70%	70%	67%	61%	44%	69%	63%	69%	69%	60%	75%
Median average full-time wages of undergraduates employed in Florida 1 year after graduation	\$30,000	\$34,900	\$32,900	\$35,100	\$30,300	\$21,200	\$33,700	\$33,100	\$24,200	\$34,600	\$31,000	\$40,000
Average cost per Undergraduate Degree to the Institution	\$37,950	\$32,430	\$29,240	\$26,730	\$25,500	\$74,640	\$21,010	\$24,940	\$29,350	\$24,340	\$31,080	\$20,000
Six Year Graduation Rate (Full-Time and Part-Time FTIC)	41%	40%	43%	50%	77%	66%	66%	86%	49%	62%	42%	70%
Academic Progress Rate (2nd Year Retention with GPA Above 2.0)	72%	70%	72%	78%	90%	81%	86%	96%	76%	87%	63%	90%
Bachelor's Degrees Awarded in Areas of Strategic Emphasis (includes STEM)	43%	40%	35%	40%	35%	56%	35%	47%	33%	46%	39%	50%
University Access Rate (Percent of Undergraduates with a Pell Grant)	65%	41%	35%	47%	30%	29%	38%	32%	36%	41%	39%	30%
Graduate Degrees Awarded in Areas of Strategic Emphasis (includes STEM) 8B - Freshman in Top 10% of Graduating High School Class (NCF Only)	39%	33%	36%	40%	31%	35%	47%	59%	34%	57%	29%	50%
Board of Governors Choice Metrics	31%	31%	74%	70%	11	4	60%	18	71%	56%	65%	80% FSU 25 UF 31 NCF 5
University Board of Trustees Choice Metrics	86%	42%	23%	5,851	115	100%	12,321	\$697 M	9%	300	32%	
Highest Benchmark for Board of Trustees Choice Metrics	80%	40%	20%	6,100	75	100%	12,300	Top 1/3 of AAU	7%	300	21%	



# Performance by Metric - 2017

Metric	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF	Highest Benchmark
Percent of Bachelor's graduates employed ( <i>Earning \$25,000+</i> ) and/or continuing their education further 1 year after graduation	64.6%	67.5%	65.8%	69.0%	63.7%	41.8%	66.2%	69.4%	68.7%	69.6%	67.6%	72.8%
Median Wages of Bachelor's Graduates Employed Full-time One Year After Graduation	\$32,700	\$38,700	\$36,300	\$38,800	\$35,700	\$26,500	\$38,600	\$40,700	\$37,000	\$38,000	\$36,700	\$40,700
Net Tuition & Fees per 120 Credit Hours	\$12,640	\$16,540	\$18,790	\$17,180	\$14,930	\$5,920	\$15,280	\$10,660	\$17,260	\$13,170	\$16,340	\$9,000
Six Year Graduation Rate (Full-Time and Part-Time FTIC)	40.7%	49.2%	45.5%	54.8%	80.0%	63.4%	68.3%	87.2%	53.0%	66.3%	48.3%	70%
Academic Progress Rate (2nd Year Retention with GPA Above 2.0)	74.6%	74.7%	72.9%	80.8%	90.4%	84.3%	86.5%	95.5%	75.4%	86.1%	70.1%	90%
Bachelor's Degrees Awarded in Areas of Strategic Emphasis (includes STEM)	48.0%	52.7%	47.9%	47.7%	42.8%	45.9%	52.0%	56.9%	48.7%	59.0%	49.5%	50%
University Access Rate (Percent of Undergraduates with a Pell Grant)	65.4%	41.8%	31.9%	51.4%	27.7%	28.3%	39.8%	29.7%	32.1%	41.2%	41.3%	30%
Graduate Degrees Awarded in Areas of Strategic Emphasis (includes STEM) 8B - Freshman in Top 10% of Graduating High School Class (NCF Only)	58.2%	59.4%	65.3%	58.7%	46.0%	43.0%	63.4%	70.3%	48.9%	74.6%	44.0%	8a 60%, 8b 50%
Board of Governors Choice Metrics	28.3%	73.2%	75.6%	69.1%	7	5	66.3%	21	71.7%	75.6%	80.5%	80% FSU 25 UF 31 NCF 5
University Board of Trustees Choice Metrics	80.0%	45.6%	549	84.2%	120	100.0%	12,832	3	16.2%	300	31.7%	
Highest Benchmark for Board of Trustees Choice Metrics	80%	40%	452	40%	75	100%	12,300	1st-10th	13%	200	25%	



# Discussion Items – Board Budget and Finance Committee – October 3, 2017

1.

## Metric 3- Cost of Textbooks

- SUS workgroup presented a new method for capturing the cost of textbooks

2.

## Metric 4 - 6-year Graduation Rates

- Should this metric be modified to capture 4-year graduation rates?

3.

## Metric 7 – University Access Rate

- Should performance significantly above benchmarks receive consideration?

4.

## Metric 9 – Board of Governors Choice

- Reviewed metric progress and discussed potential changes.

5.

## Metric 10 – Board of Trustees Choice

- Reviewed metrics submitted by Trustees.

6.

## Allocation Methodologies

- Reviewed alternative methodologies for allocating the state investment.



# Performance-based Funding: Senate Bill 4 Impacts

- Metric 4 – 6-Year Graduation Rate
  - SB 4 Change – 4-Year Graduation Rate

6-Year Graduation Rate Benchmark based on Strategic Plan Goal of 70%

Points	10	9	8	7	6	5	4	3	2	1
<b>Benchmark</b>	70%	68.8%	67.5%	66.3%	65%	63.8%	62.5%	61.3%	60%	58.8%

4-Year Graduation Rate Benchmark based on Strategic Plan Goal of 50%

Points	10	9	8	7	6	5	4	3	2	1
<b>Benchmark</b>	50%	48.8%	47.5%	46.3%	45%	43.8%	42.5%	41.3%	40%	38.8%

Graduation Rates by University

Metric	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF
<b>6-Year Grad Rate</b>	40.7%	49.2%	45.5%	54.8%	80%	63.4%	68.3%	87.2%	53%	66.3%	48.3%
<b>4-Year Grad Rate</b>	18%	25%	22%	28%	65%	52%	44%	67%	33%	51%	22%





# Performance-based Funding: Senate Bill 4 Impacts

- Metric 7 – University Access Rate (Percent of Undergraduates with a Pell Grant)
  - SB 4 Change – include benchmarks that reward institutions with access rates at or above 50%

## University Access Rate Benchmark

Points	10	9	8	7	6	5	4	3	2	1
<b>Benchmark</b>	30%	28.8%	27.5%	26.3%	25%	23.8%	22.5%	21.3%	20%	18.8%

## Access Rates by University

Metric	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF
<b>Access Rate</b>	65.4%	41.8%	31.9%	51.4%	27.7%	28.3%	39.8%	29.7%	32.1%	41.2%	41.3%



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## State University System of Florida

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THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

10/25/17  
Meeting Date

Bill Number (if applicable)

Topic Performance funding and preeminence

Amendment Barcode (if applicable)

Name Marshall Criser

Job Title Chancellor

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Phone 850-245-0466

Tallahassee FL 32399  
City State Zip

Email marshall.criser@flbar.edu

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing State University System of Florida

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

**See Tab 1**

# CourtSmart Tag Report

Room: KN 412

Case No.:

Type:

Caption: Appropriations Subcommittee on Higher Education

Judge:

Started: 10/25/2017 3:34:38 PM

Ends: 10/25/2017 4:44:58 PM

Length: 01:10:21

3:34:39 PM	Call to order
3:35:06 PM	Roll call
3:35:21 PM	Chair
3:35:55 PM	Marshall Criser, Chancellor, State University System of Florida
3:41:46 PM	Senator Clemens Question
3:42:48 PM	Marshall Criser, Chancellor, State University System of Florida
3:55:08 PM	Senator Farmer Question
3:56:09 PM	Marshall Criser, Chancellor, State University System of Florida
4:09:54 PM	Senator Perry Question
4:11:15 PM	Marshall Criser, Chancellor, State University System of Florida
4:12:30 PM	Senator Lee Question
4:13:27 PM	Marshall Criser, Chancellor, State University System of Florida
4:21:09 PM	Senator Bradley Question
4:24:47 PM	Marshall Criser, Chancellor, State University System of Florida
4:28:50 PM	Senator Clemens Question
4:29:31 PM	Marshall Criser, Chancellor, State University System of Florida
4:44:02 PM	Chair
4:44:27 PM	Senator Simpson moves we adjourn