

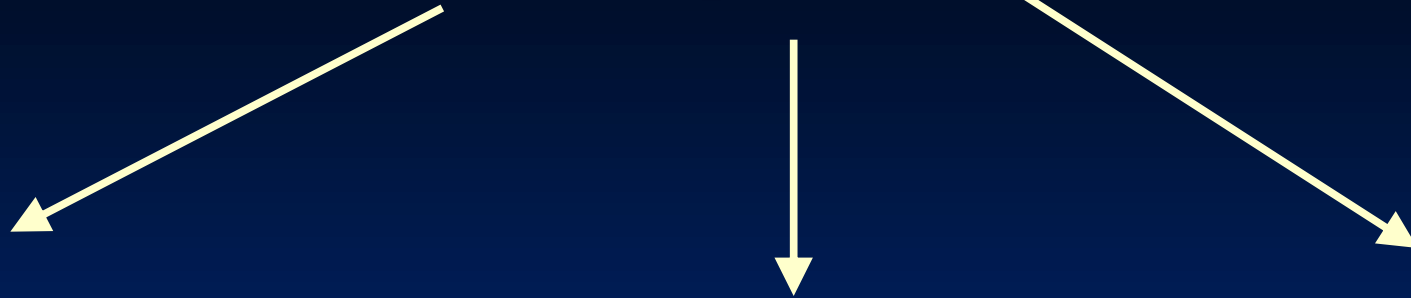


University Contracts

- **Follow-up from August meeting**
- **Contract Specifications**
 - **Fiscal Specifications**
 - **Performance Expectations**
 - **Incentives and Penalties**
- **Data Collection**
- **Audience Input**
- **Council Discussion**



Dispute



Renegotiation

Mediation

Cancellation



Cancellation

(see next slide)



Mediation

Renegotiation

Cancellation

Cancellation

Changes to Draft Contract

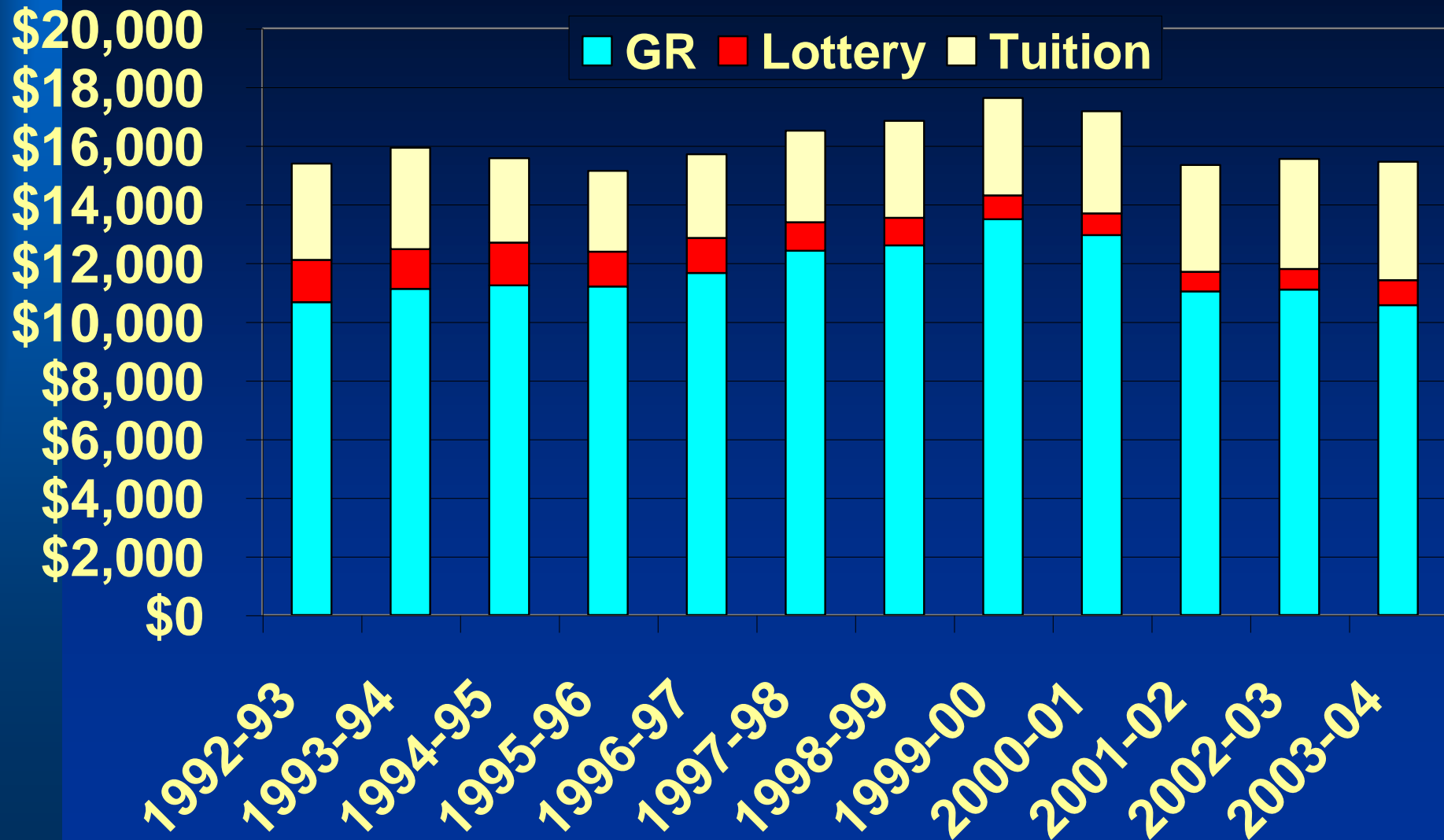


- **Point of Contact – added Chancellor's designee**
- **Cancellation – ensures at least a six-month notice**
- **Term of Contract – 3 years with annual extensions**
- **Waivers – deleted language**
- **Resolution of Disputes – as discussed**
- **Signatures – added all members of both boards**

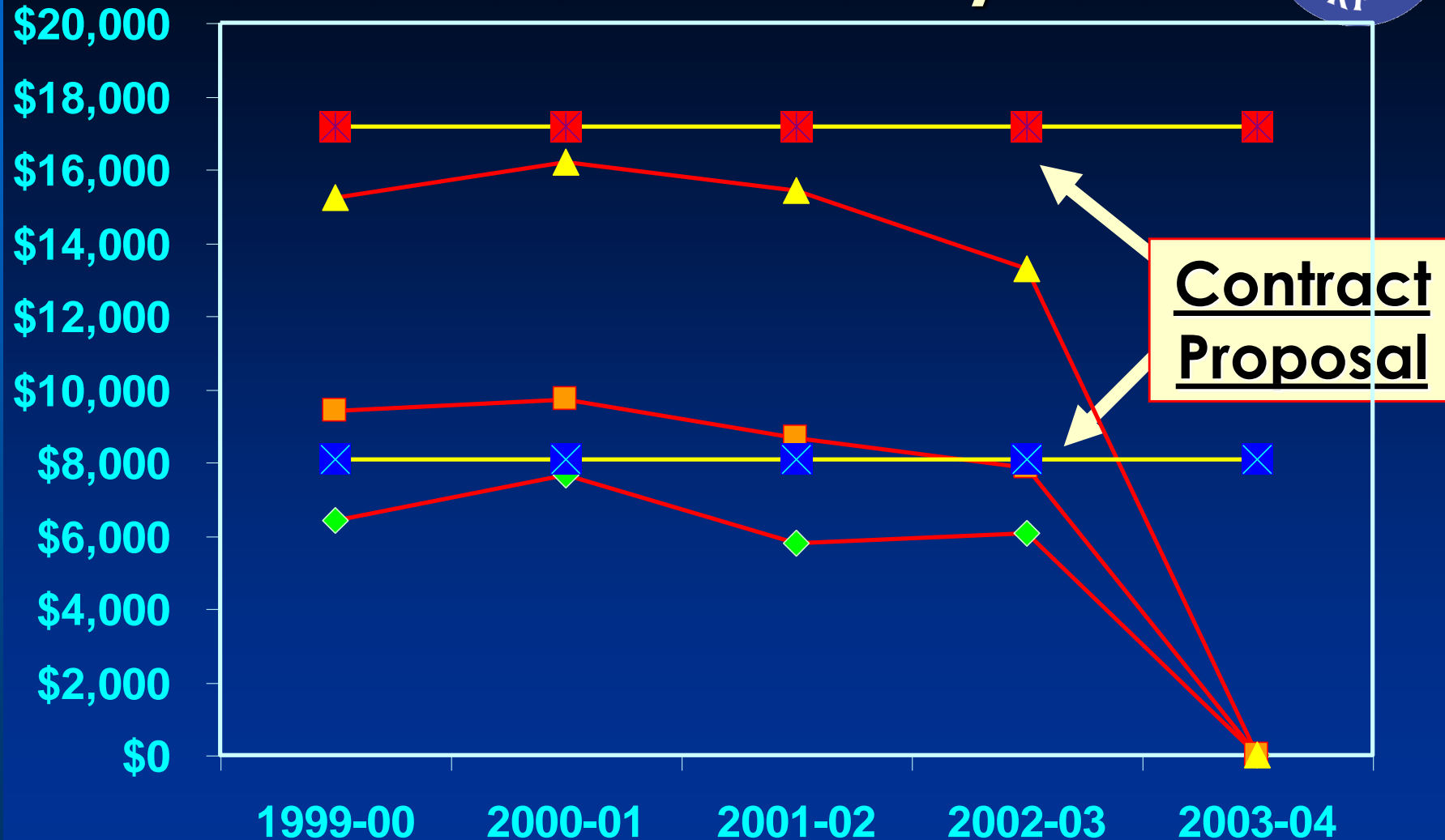


Fiscal Specifications

CPI Adjusted History of Overall University System Funding per FTE



CPI Adjusted Funding per FTE for Enrollment Growth at FSU by Level



Lower Level

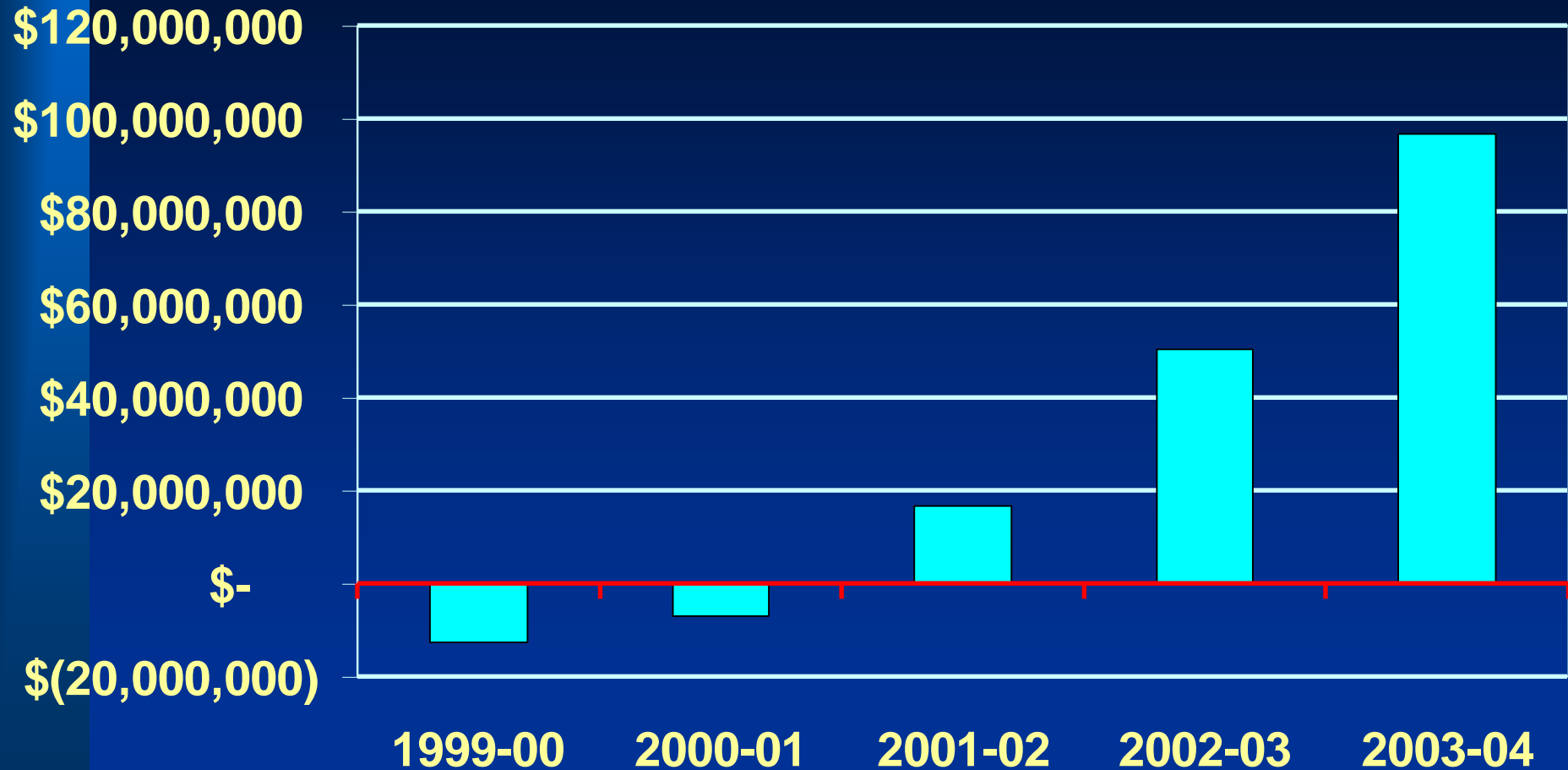
Upper Level

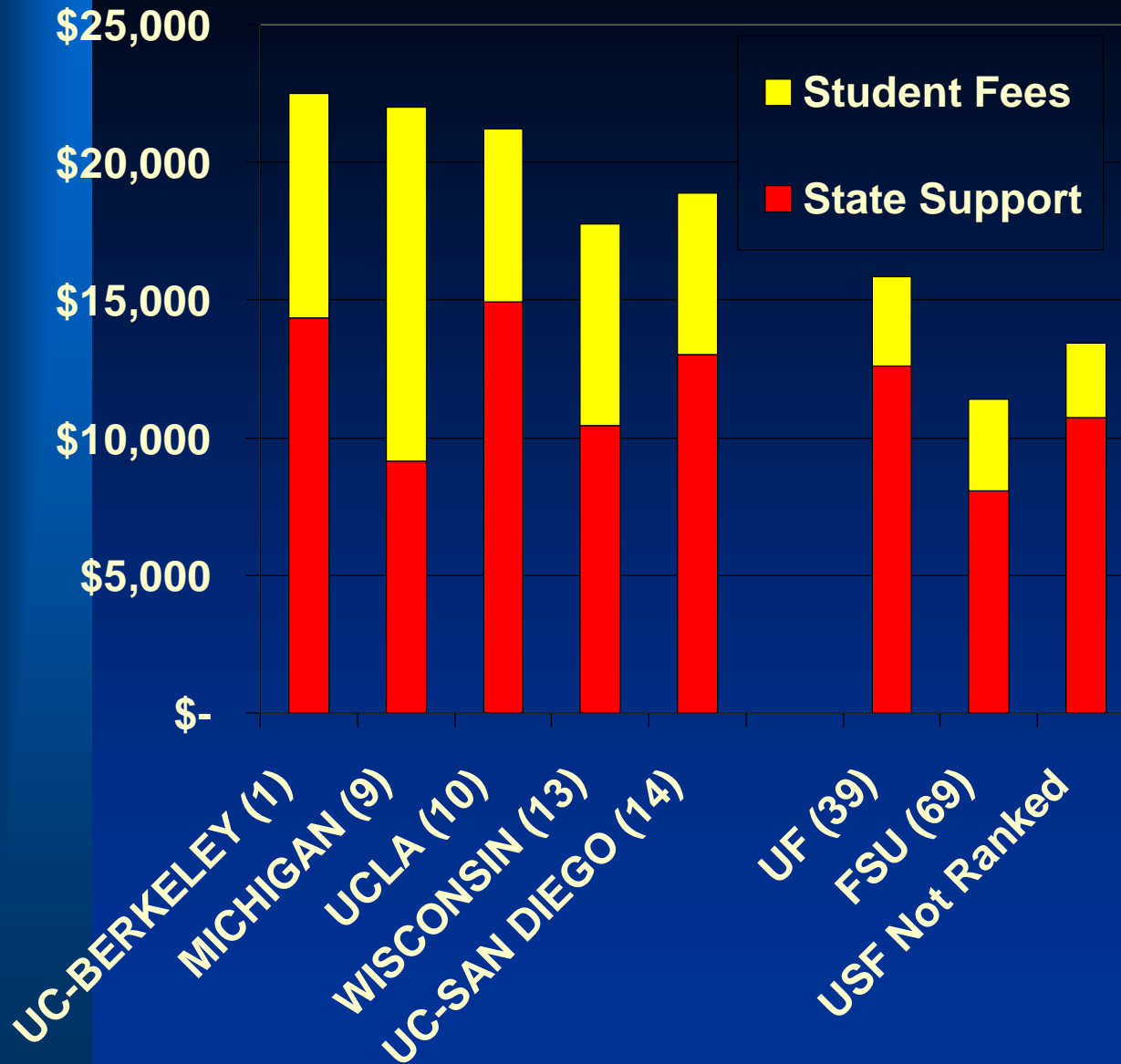
Graduate I

Contract Undergraduate

Contract Graduate

Contract (Below)/Above Actual Funding of UF & FSU Over 5 Years





Comparison of State and Student Fee Support per FTE of Florida vs. Top 5* Public Universities

*Based on Vanguard Rankings



Options

- 1. Specify the level of General Revenue funding and the amount of funding per student for enrollment growth and declines. OR**
- 2. Indicate that the Board of Governors (or Legislature) will request (or appropriate) sufficient funds to enable the University to meet its performance standards.**

Staff Recommendations



- 1. The Board of Governors should request or Legislature should appropriate sufficient funds to enable the University to meet its performance standards.**
- 2. The state should establish a constant rate of funding FTE growth by level.**
 - When available resources decline, the amount of FTE growth that is funded should be adjusted rather the rate of funding per FTE.**
 - Unfunded FTE could then be provided for once state revenues improve.**



Fee Flexibility

2003-04 General Appropriations Act

The out-of-state fee per credit hour is hereby established for the 2003-04 fiscal year as follows:

<u>Resident Fees</u>	2003 Summer	2003-04 Fall/Spring
Lower Level Courses	\$ 58.45	\$ 62.83
Upper Level Courses	\$ 58.45	\$ 63.83
Graduate Level Courses	\$ 147.67	\$ 158.74
Law	\$ 167.83	\$ 180.41
<u>Non-Resident Fees</u>		
Lower Level Courses	\$ 302.99	\$ 325.71
Upper Level Courses	\$ 302.99	\$ 325.71
Graduate Level Courses	\$ 469.20	\$ 504.39
Law	\$ 488.73	\$ 525.38

2003-04 General Appropriations Act



Funds in Specific Appropriation 123 are based upon the following full-time equivalent (FTE) enrollment:

Lower Level	57,949
Upper Level	74,075
Graduate	27,580
Total	159,604



Fee Flexibility Alternatives

- **Limited Flexibility**
 - Cap revenue rather than specify fees in proviso
 - Based on mission
 - Full flexibility as an alternative to growth
 - Based on programs
 - Flexible range alternative
- **Unlimited Flexibility**
 - Non-resident and graduate only
 - Full flexibility for all student levels and institutions

Flexibility Based on Mission



Tie to national average or upper quartile by SREB
type of institution

Pro:

- **Forces conformity to national norms**
- **Provides the most funding increase to the institutions that are the least competitive in funding**
- **Provides a price incentive for enrollment in smaller universities**

Con:

- **Does not provide the same funding to all universities**
- **Does not provide market-based pricing**

Flexibility Tied to Enrollment Plans



Full flexibility at universities that do not plan to grow.

Cap others.

Pro:

1. Provides full flexibility to universities with most demand
2. Provides full flexibility to Research I universities where fees are most below peers
3. Restricts student costs at institutions that continue to provide expanded access

Con:

1. Could differentially affect access in some regions of the state depending on how it is implemented

Option: multicampus universities should be allowed to declare individual campuses to be fully developed

Differentiate Fees by Program



Based on anticipated salary of graduates
Option: Could be limited to honors programs

Pro:

1. Manages student cost based on anticipated ability to pay
2. Uses job market to determine pricing

Con:

1. If price differences are very large may provide a cost-based disincentive to enrollment in state priority programs
2. Typically only done for graduate professional programs

Recommendation: Should be a local option if this is pursued because the precision required to do this properly is probably not possible at the state level.

Unlimited Flexibility



- **Graduate and Out-of-State only, could be used in combination with policies discussed above.**
- **Full flexibility**

Pro:

Allows fees to adjust to market conditions

Con:

Could result in dramatic increases. However, this could be mitigated by performance measures related to access

Staff Recommendations



- **Boards of trustees should be provided flexibility to set student tuition and fees contingent upon BOG approval of university plans and performance measures that continue access by disadvantaged and place-bound populations.**
- **The Department of Education should examine the feasibility of procedures that would allow state financial aid programs to adjust to university flexibility in establishing variable fee schedules such as block fees.**

Financial Aid and Student Cost Options

- 1. Require each university to allocate_____ percent of the revenue derived from fee increases to need based student aid in order to maintain student access and control student debt.**
- 2. Require universities to implement initiatives such as implementing the UF student tracking system that can reduce student costs.**
- 3. Require performance measures for student access and graduation and development of a plan for containing student cost, rather than mandating specific initiatives.**



Staff Recommendation

Require performance measures for student access and graduation and development of a plan for containing student cost, rather than mandating specific initiatives.

Public Education Capital Outlay (PECO)



- **UF/FSU proposal – PECO funds provided based on each university's last 10-year average PECO appropriations**
- **Relevant facts:**
 - **Changes current methodology**
 - **DOE has a new Advisory Council on Educational Facilities**
 - **PECO funds are anticipated to drop drastically next year, then gradually increase**
 - **Committing this level of PECO funds will have a negative impact on the amount available for community colleges and public schools**

PECO



Staff recommendation:

- **Do not include a PECO commitment in the contract at this time, since it could have a negative impact on other institutions and delivery systems.**
- **In the future, it may be appropriate to take into consideration the recommendations of DOE's Advisory Council on Education Facilities, due February 2004.**

Performance Expectations



- **Federal Higher Education Act (HEA) Reauthorization**
- **Florida Department of Education (DOE) Activities**
 - **Dr. Dorothy (Dottie) Minear**
- **Student and Employer Satisfaction**
 - **Ms. Kristina Goodwin (staff)**



Quality & Efficient Services

Student and Employer
Satisfaction Surveys

Satisfaction Surveys



- **Should the university contract address student and employer satisfaction surveys?**



Satisfaction Surveys

- **Southern Association of Colleges and Schools (SACS) Accreditation**
- **Florida Education and Training Placement Information Program (FETPIP)**
- **National Student Surveys**
- **Florida Universities' Satisfaction Surveys**

National Student Surveys



NSSE – National Survey of Student Engagement

CSEQ – College Student Experiences Questionnaire

CSXQ –College Student Expectations Questionnaire

CIRP – Cooperative Institutional Research Program

SSI – Student Satisfaction Inventory



Florida Universities

- All 5 institutions conduct student and employer satisfaction surveys

Student Satisfaction Survey

- All have participated in at least one national student survey.
- All conduct an institutional graduating student survey
- Frequency of the surveys vary

Employer Satisfaction Survey

- Frequency varies among institutions.
- Conducted at the institution OR department level.

STAFF RECOMMENDATION



- **The contract should ensure that sufficient feedback is being received from students and employers to determine institutional quality.**

Performance Expectations



- **Options for Contract Specifications**
 - **Create specific measures and standards to be included in every university's contract**
 - **Specify that the BOG and universities should negotiate measures and standards to meet state goals**
 - **Identify key issues or objectives for which measures and standards should be developed**
 - **Identify performance commitments, in addition to measurable standards**

Performance Expectations



Staff recommendations:

The report should include a list of high priority issues for which commitments and/or measures and standards should be developed for inclusion in the contract.

Institutional-specific measures should also be considered during contract negotiations.

Incentives and Penalties



- **Proviso language specified that the study was to include “penalties, if any, for failure to comply with the terms and conditions of each contract.”**
- **Draft contract contains strong linkage between tuition flexibility and performance measures (see hand-out)**

Incentives and Penalties



Staff Recommendation:

- **Prior to contract negotiations, BOG shall adopt rules or guidelines that specify:**
 - **Direct linkage between performance and tuition flexibility**
 - **Requirements for improving performance**



Data Collection



Legislative Direction

- **Concerns raised**
- **Directed to look at data collection methods**
 - **How will data be collected “to demonstrate compliance with the terms and conditions of each contract?”**

New Software Systems



- **July 1, 2003 – five have moved off of the State Comptroller's system**
- **July 1, 2004 – six will move off of the State Comptroller's system**
- **Universities will move off the State's payroll 6 months later**
- **Universities may change other systems (i.e. student, human resources)**



Quality Assurance

- **Continued quality**
 - **DOE Data Dictionary**
- **Data reporting**
 - **Has not changed**
- **Data checks**
 - **By requesting agency**



Summary

- At this time, there are no problems
- Institutions are working together and with the DOE to maintain the same level and quality of data reported.

STAFF RECOMMENDATION



- There appears to be no need to include data collection and reporting methods in the contract.
- However, the proviso directed CEPRI to investigate data collection and reporting methods. This information should be included in the final report.