This is the season when parking is near impossible and we set aside a day to mark the beginning of a new academic year – a day of recognition and celebration for faculty and staff. It’s a day to welcome faculty and staff members who are new to the University of North Florida family and it’s also a day to recognize individuals who have made significant contributions to the university through their teaching, their service, their scholarship and their commitments to international studies and diversity.

A highlight of the day is recognizing our Distinguished Professor of the Year. This year, that honor goes to Dr. Kris Webb, an amazing woman who is recognized well beyond the campus of UNF for her work in supporting persons with disabilities transition into higher education and participate fully within the larger community. Dr. Webb stands as a national expert in this field and is the individual who has changed the face of this university in how we serve persons with disabilities.

At this time of the year, there is a tradition that the President of the university to offer The State of the University Address by providing highlights on where the university is today and where the institution is going. Over the past few decades, the world of higher education has been changing rapidly. Our national and state need for a better educated citizenry has led us to seek initiatives that will prepare more college graduates, as well as a push to graduate better prepared students. These two goals may even, at times, seem in conflict with each other.

We have also seen a move to a greater use of technology, with distance learning being one notable sign of that transition. Yet, as would be expected, not all of the trends are necessarily a hit. MOOCs (Massive Open Online Classrooms), once viewed by some as the savior of higher education, are facing some significant challenges. Its offerings are in a national retreat but they may end up playing a significant role in some places. Also, the once fastest growing segment of higher education, proprietary for-profit universities, is being scrutinized much more closely for their business practices and their effectiveness in graduating students, and many have been massive frauds.

In the last two or three years, another significant change in higher education has been in how we fund public universities and the formulae the states are using to allocate their resources. Until recently, most public universities were funded based on the number of students enrolled. As the student body grew, we received more state dollars and more tuition dollars. Tuition dollars might cover 25 percent of the cost of a student’s education and state dollars would cover the remaining 75 percent. These figures would vary from state to state. Over time, those percentages shifted in many states and particularly during bad economic times. In 2012-2013, UNF undergraduate students were paying 50 percent of the cost of their education, the highest rate in Florida’s history for more than 75 years. Just ten years earlier, state support was 75 percent.

During these difficult times, everyone from college students and their parents, to the President of the United States, was accusing universities across the country of increasing tuition rates too high and too fast. Of course, they were not looking at the other side of the equation. State dollars were being cut every bit as quickly, and at sums equal to or greater than the tuition increases. And, with this mix of high tuition increases and drastic cuts in state revenues, public university budgets were
still on the decline. We were collecting more money from students, but there was less money in the overall budget to provide quality education. But as the economy has recovered, our fiscal resources began to shift.

In 2013-2014, the state increased its contributions to our budget. In this same year, our Board of Trustees approved a low 1.7 percent tuition increase and this followed on the heels of a few years of 13- and 15-percent increases. This past June, our Board of Trustees approved a zero percent increase in tuition. The zero percent increase was the direct result of a $10.4 million increase in state revenues to our budget. With this budget increase, during 2014-2015, we will be able to undertake a number of wonderful initiatives for this campus, including salary increases.

Our state funds increased, but the dollars allocated to the budget came through a brand new funding formula. It’s still true that more students would yield some new money through an increase in tuition dollars, but the largest chunk of new revenues are coming from state revenues, based on how well the university performed on a set of ten metrics – ten measures of performance designed by the Florida Board of Governors.

This shift to the use of a performance-based funding formula has created great opportunities for us in 2014-2015, but it also brings with it great challenges. The new funding rules can lead to increased revenues in the future, but they can also bring about cuts in our budget if we don’t hit, or we slide backwards, on the marks set by the state.

Our performance scorecard has ten different goals. If we hit the established mark, or get closer to it than we were the previous year, we can get added points for each of these metrics and these points translate into new dollars. This new system is intended to award performance as opposed to growth in size. Growth is to be covered by student tuition, which, of course, only pays part of the cost of the education.

If we have increased performance, we can offer our students an even better education but if we have more and more students, without performance improvements, we will need to cut back on the quality of education we offer our students. Conceptually, the model has a lot of merit but I have been a major critic due to fundamental flaws. There are tweaks and changes we and other institutions have recommended to the Board of Governors.

Because this is how we are going to be funded over the upcoming years, it is important that we all understand the model, because everyone on this campus plays a part in achieving our goals. Even if some of the metric calculations could use some fine tuning, the overarching goals fit into our desire to become an even stronger institution. And, our ability to fund future raises is dependent on us succeeding in hitting our targets.

To give you a better picture of how this funding system works, let me provide you with some examples. Let’s start with graduation and retention rates. A higher percent of freshmen we admit need to graduate from UNF in six years. These young women and men need to stay with us and complete their undergraduate education within that six-year time frame. Four year would, of course, be better.
We know that some of our students leave UNF between their freshman and sophomore year for a number of reasons – financial strains and the rigor of our curriculum are two of these reasons. Another large group of students transfer to other in-state schools for a host of different reasons, including the desire to be at another school with more campus and student life activities. While this group of students is likely to graduate in the six-year time frame, they don’t count on UNF’s scorecard. This puts the pressure on us to admit students who have all of the qualifications and resources needed to be successful in college. It also demands that we build an atmosphere where our students are academically challenged, provided with a stellar education and supported inside and outside the classroom so they will stay at UNF and graduate in a timely manner.

We know we can accomplish this, as evidenced by the fact that we grew our graduation rate by five percent last year, from 50 percent to 55 percent. That five percent improvement is a significant increase and will show up in a better scorecard for next year’s funding. We can increase our graduation rate, but we need to stay focused to do so. We need to make changes, turning gatekeeper courses into gateway courses, where 75 percent of the students were getting Ds or lower, need to be revamped so students have the tools they need to succeed, with 75 percent of the students passing, but without lowering academic standards. We need to help students proudly identify as Ospreys. We need to connect them to their faculty mentors and engage them in research, internships and other forms of community engagement. The voices that answer the phones need to be helpful and cheerful, and the campus needs to look inviting.

Now if we want to earn even more points on the scorecard for future funding, more of the students who do graduate from UNF need to graduate in areas of strategic need: science, technology, engineering and math; as well as healthcare, international studies and some specialty areas of teaching. Currently we’re doing a better job at meeting this goal among graduate students than at the undergraduate level. In saying this, students pick majors, not universities, and I have been vociferous in support of non-STEM majors. Increasing the numbers at the undergraduate level requires us to balance our curriculum to address labor market demands, while providing a strong liberal arts education that will help UNF graduates perform well in their careers, enrich their personal lives and expand their world views.

To get more performance funding, we also need more alums working in Florida, within the first year after their graduation, or enrolled in graduate school. When our graduates get jobs, they need to be paid at the top of the first-year labor market rates. Two years ago, we sat at the top of the list on percent of students employed after graduation. This shifted a little this past year and we moved from 71 percent to 69 percent, putting us in second place. While we are doing well here, we can get better. Accomplishing this means placing greater attention on student career planning and development, involving students in active internships and supporting them as they apply to graduate programs, at UNF or elsewhere.

If we are to make progress on all of the metrics, then as we work to graduate our students and help them find good paying jobs or get into good graduate school programs, we need to do it at the lowest cost possible. Unfortunately, when considering the money tax payers and families are paying toward a college education, the Board of Governors has shined the spotlight on undergraduate
program costs, only. Some institutions have brought down these costs by having extremely large classes and by having courses taught by doctoral students, as opposed to full-time faculty. These strategies don’t fit with our mission, but we can certainly address this goal at the edges. Better scheduling of low-enrolled classes and better accounting by faculty on their faculty activity reports are two examples. But in maintaining our unique mission, we may never become the school to spend the lowest expenditures on undergraduate students.

We recognize that taxpayers have a right to an accounting of how much a college education costs. They need to understand the cost across the board: graduate and undergraduate programs. It’s also important that they understand the relationship between quality and cost. These examples represent six of the ten items on our scorecard. This year, we will be tracking and working on all ten of the items because it means looking for ways to improve our performance and to continue the money flowing from Tallahassee.

At the same time, we are focused on the Board of Governor’s metrics and scorecard. We are keeping an eye on several other scorecards or rankings that tell us and the nation how we’re doing. For the fourth year in a row, Princeton Review ranked UNF among the top 75 best value public universities in the United States, and for the third year in a row, we won a similar title from Kiplinger’s. These recognitions come on the heels of UNF receiving several other national designations, including Top Colleges in Florida by The College Database, Best Regional University by U.S. News & World Report, Best in the Southeast and Best Value College, both by Princeton Review, and Top Florida College for Return on Investment by The College Database. And, we have been ranked as the 19th best institution in our category for short-term study abroad programs. These and other recognitions tell us we are making a national name for ourselves, based on the quality of our education and the educational opportunities we offer our students.

We can truly be proud of the institution we have become, but we can’t rest on our laurels. We have work to do this coming year if we are going to continue offering our students a quality education, building our national reputation and bring home the money we need from Tallahassee. But knowing the incredible team I get to work with, I have no doubt we’re going to make 2014-2015 a banner year for this institution. I want to thank you for everything you have done up to this point and everything you will undertake in the upcoming year.