

COUNCIL FOR EDUCATION POLICY RESEARCH AND IMPROVEMENT

**Feasibility of Multi-Year University Contracts**

	<u>Page</u>
Contract Specifications.....	1
Contract Specifications: Options.....	3
Decisions to be made concerning Multi-Year Contracts.....	12
Data Collection.....	16
Higher Education Act.....	23

**COUNCIL FOR EDUCATION POLICY RESEARCH AND IMPROVEMENT**

**Contract Specifications**

**Background:**

Over the past several years, Florida's universities have been given increased autonomy by the Legislature. For example, they have been given local boards of trustees, the flexibility to manage personnel systems, the ability to deposit funds outside the State Treasury, the authority to carry forward year-end balances, the responsibility of collectively bargaining at the local level, the authority to control their own positions and rate, the ability to expend funds directly from grants-in-aids appropriation categories, the power to develop their own financial management systems rather than being required to use the state's systems, and the authority to exercise the right of eminent domain with approval of the State Board of Education. They have also been given the ability to set fees within the amount authorized in the General Appropriations Act.

**Problem Statement:**

The State of Florida has been affected by the downturn of the economy that other states throughout the country have felt in recent years. One way for the Legislature to manage available resources, while funding high-priority programs, has been through budget reductions in various programs. The university system has not been immune to these reductions. At the same time, the universities have had to deal with the demand for increased student enrollment and its impact on instruction, student services, administration, and facilities as the "baby boom echo" generation matures and moves into higher education.

While the universities have the ability to set fees within a range authorized in the General Appropriations Act, the Legislature does not always give them the flexibility to increase fees. In addition, there have been times in the past in which increased fees were offset through general revenue fund shifts. In other words, general revenue appropriations to the universities were reduced by the same amount as the increase in revenue anticipated from fee increases.

**Overview of the Proposed Outcome:**

The *University* will be given additional flexibility while meeting specified performance expectations and standards.

**Fiscal Specifications:**

Base Appropriations and Funding Increases:

The \_\_\_\_\_ (Board of Governors? Legislature?) will \_\_\_\_\_ (request? appropriate?) \_\_\_\_\_ (sufficient funds to enable the *University* to meet its performance standards? a certain dollar amount per student for enrollment growth/decline? a certain level of General Revenue in its base?)

COUNCIL FOR EDUCATION POLICY RESEARCH AND IMPROVEMENT

Tuition Flexibility:

The *University* Board of Trustees may \_\_\_\_\_ (see attachment for discussion of options)

**Performance Expectations:**

In order to help meet the state's four goals for K-20, the *University* will meet the specified standards for \_\_\_\_\_ (performance measures specified in the contract? performance measures developed for issues specified in CEPRI's report? – see attachment for options)

**Incentives and Penalties Relating to the Meeting of Performance Standards:**

1. If \_\_\_\_ (all? all critical?) performance standards are met, the university will continue to have the tuition flexibility stated above.
2. If \_\_\_\_ (all? any? all critical?) performance standards are not met, the *University* will \_\_\_\_\_ (lose its tuition flexibility? submit to the Board of Governors its plans for improving its performance? have its General Revenue budget reduced by a certain percentage? renegotiate different performance standards?)
3. If \_\_\_\_ (all? any?) performance standards are met, the Board of Governors will include in its Legislative Budget Request an increase in the *University's* General Revenue funding, using the methodology adopted by the Board of Governors.

**Governance and Oversight:**

Governance, administration and oversight of the *University* will be as specified in Florida law and administrative rules.

COUNCIL FOR EDUCATION POLICY RESEARCH AND IMPROVEMENT

**Contract Specifications  
Options**

**Fiscal Specifications:**

Base Appropriations and Funding Increases

In the contract proposed by UF and FSU, there was a specified level of base General Revenue funding to be appropriated by the Legislature. This level restored cuts that had been made in the previous two years. In addition, the contract specified that enrollment growth and declines were to be funded at a specified dollar amount per student.

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 RECOMMENDATION:**

1. **Include in the contract the following statement: The Board of Governors will request sufficient funds to enable the *University* to meet the performance standards specified in this contract.**
2. **The report should recommend that the state should establish, and the contract specifications should reflect the Board of Governors commitment to include in its Legislative Budget Request, 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.**
  - **When state revenues improve, unfunded FTE could then be funded.**

---

Tuition Flexibility

A. Limited Flexibility

1. Mission:

The Board of Trustees of the university may approve fee rates sufficient to raise an amount of tuition and matriculation fee revenue per FTE equal to the \_\_\_\_\_ (national average? upper quartile?) of public universities in the U.S. of the same SREB classification.

COUNCIL FOR EDUCATION POLICY RESEARCH AND IMPROVEMENT

**Contract Specifications  
Options**

2. Alternative to Growth (possible modification to other options):

However, the Board of Trustees of the university may set tuition and matriculation fee rates at the full discretion of the board if the board caps undergraduate enrollment at the institution.

3. Based on Programs:

The Board of Trustees of the university may approve fee rates for each degree program based on the average income received by program graduates, as determined by a methodology approved by the Board of Governors.

4. Flexible Range:

The Board of Trustees of the university may approve fee rates sufficient to raise an amount of tuition and matriculation fee revenue equal to but no more than \_\_\_% above the revenue generated by the fee schedule approved by the Legislature based on the planned level of enrollment.

**B. Unlimited Flexibility**

1. Non-resident and Graduate only (possible modification to other options):

However, the Board of Trustees of the university may set graduate and out-of-state tuition and matriculation fee rates at the full discretion of the board.

2. Full Flexibility:

The Board of Trustees of the university may set tuition and matriculation fee rates at the full discretion of the board.

**STAFF RECOMMENDATION:**

**1. Full Flexibility: The Board of Trustees of the university may set tuition and matriculation fee rates at the full discretion of the board, contingent upon policies for tuition and Bright Futures being aligned.**

**2. The report should recommend that the Department of Education 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. If this is feasible, the Legislature should provide this flexibility to universities.**

COUNCIL FOR EDUCATION POLICY RESEARCH AND IMPROVEMENT

**Contract Specifications**  
**Options**

Financial Aid and Student Cost

1. The Board of Trustees of the university shall allocate \_\_\_ percent of the revenue derived from tuition and matriculation fee increases to need based student financial aid in order to maintain student access and control student indebtedness due to the cost of education.
2. The second option is to not include financial aid requirements in the contract, provided that there are performance measures for student access and graduation.

**STAFF RECOMMENDATION:**

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

---

Fixed Capital Outlay:

1. The \_\_\_\_\_ (Board of Governors? Legislature?) shall \_\_\_\_\_ (request? appropriate?) Public Education Capital Outlay (PECO) funds based on the *University's* \_\_\_\_\_ (10-year average? 5-year average?)
2. A second option is to not include PECO funding in the contract. See attachment for additional explanation.

**STAFF RECOMMENDATION**

**Including PECO in the contract could have negative affects on universities not participating in the contract process, and on the public schools and community colleges delivery systems. In light of that fact, as well as the fact that, by February 2004, the Department of Education's Advisory Council on Educational Facilities will be recommending solutions to problems dealing with facilities, the recommendation is to not include PECO in university contracts at this time.**

---

COUNCIL FOR EDUCATION POLICY RESEARCH AND IMPROVEMENT

**Contract Specifications  
Options**

**Performance Expectations**

Section 1008.31(3)(c), F.S., contains the following language:

The State Board of Education shall maintain an accountability system that measures student progress toward the following goals:

1. Highest student achievement, as measured by: student FCAT performance and annual learning gains; the number and percentage of schools that improve at least one school performance grade designation or maintain a school performance grade designation of "A" pursuant to s. [1008.34](#); graduation or completion rates at all learning levels; and other measures identified in law or rule.
2. Seamless articulation and maximum access, as measured by: the percentage of students who demonstrate readiness for the educational level they are entering, from kindergarten through postsecondary education and into the workforce; the number and percentage of students needing remediation; the percentage of Floridians who complete associate, baccalaureate, graduate, professional, and postgraduate degrees; the number and percentage of credits that articulate; the extent to which each set of exit-point requirements matches the next set of entrance-point requirements; the degree to which underserved populations access educational opportunity; the extent to which access is provided through innovative educational delivery strategies; and other measures identified in law or rule.
3. Skilled workforce and economic development, as measured by: the number and percentage of graduates employed in their areas of preparation; the percentage of Floridians with high school diplomas and postsecondary education credentials; the percentage of business and community members who find that Florida's graduates possess the skills they need; national rankings; and other measures identified in law or rule.
4. Quality efficient services, as measured by: cost per completer or graduate; average cost per noncompleter at each educational level; cost disparity across institutions offering the same degrees; the percentage of education customers at each educational level who are satisfied with the education provided; and other measures identified in law or rule.

COUNCIL FOR EDUCATION POLICY RESEARCH AND IMPROVEMENT

**Contract Specifications  
Options**

Section 1008.31(2) describes the requirements for developing proposals for performance-based funding. The Department of Education is currently coordinating efforts to meet the December 1 deadline specified in statute:

(d) By December 1, 2003, the State Board of Education shall adopt common definitions, measures, standards, and performance improvement targets required to:

1. Use the state core measures and the sector-specific measures to evaluate the progress of each sector of the educational delivery system toward meeting the systemwide goals for public education.
2. Notify the sectors of their progress in achieving the specified measures so that they may develop improvement plans that directly influence decisions about policy, program development, and management.
3. Implement the performance-based budgeting system described in this section.

Since the Department of Education's project will not be completed prior to the due date of CEPRI's University Contracts study, it seems that several options, or combinations thereof, are available for the inclusion of performance measures in the contract:

The four goals mentioned in the Florida Statutes (highest student achievement; seamless articulation and maximum access; skilled workforce and economic development; and quality and efficient services) could be used to either:

- a. Create specific measures (and standards?) to be included in every university's contract; or
- b. Specify that the Board of Governors (Legislature?) and the university should negotiate measures and standards for each of the goals, and include them in the contract; or
- c. Identify key issues, or objectives, for which the Board (Legislature?) and university should develop measures; or
- d. Identify performance commitments, in addition to measurable standards (for example, "The *University* will provide career and financial counseling for undergraduate students as follows:.....")

The following are examples of the types of measures and performance commitments that could be included in a contract:

Highest Student Achievement:

The *University* will \_\_\_\_\_ (ensure? strive to ensure?) that the following proportions of test



COUNCIL FOR EDUCATION POLICY RESEARCH AND IMPROVEMENT

**Contract Specifications**  
**Options**

takers will pass required licensure tests on the first try or within an appropriate time frame:

\_\_\_\_\_% - \_\_\_\_\_ licensure test  
\_\_\_\_\_% - \_\_\_\_\_ licensure test  
\_\_\_\_\_% - \_\_\_\_\_ licensure test

Seamless Articulation and Maximum Access:

1. The *University* will \_\_\_\_ (ensure? strive to ensure?) that the following proportions of underrepresented populations will be among graduates:

\_\_\_\_\_% - baccalaureate  
\_\_\_\_\_% - master's  
\_\_\_\_\_% - doctoral

2. The *University* will \_\_\_\_ (ensure? strive to ensure?) a retention rate of \_\_\_\_ % for freshmen entering their sophomore year.

3. The *University* will \_\_\_\_ (ensure? strive to ensure?) a 6-year, cohort-based graduation rate of \_\_\_\_%.

4. The *University* will \_\_\_\_ (ensure? strive to ensure?) a 3-year graduation rate of \_\_\_\_% for AA transfers.

5. The *University* will provide career and financial counseling for undergraduate students as follows:

a. \_\_\_\_\_  
b. \_\_\_\_\_  
c. \_\_\_\_\_

Skilled Workforce and Economic Development:

1. The *University* will \_\_\_\_ (ensure? strive to ensure?) that \_\_\_\_% of graduates of baccalaureate programs will earn at least \$\_\_\_\_\_.

2. The *University* will increase the production of graduates from scientific, technical, and health programs by \_\_ percent over the term of this contract.

3. The *University* will increase the production of graduates from teacher education programs by \_\_ percent over the term of this contract.

COUNCIL FOR EDUCATION POLICY RESEARCH AND IMPROVEMENT

**Contract Specifications**  
**Options**

4. Educational Leadership Training (The Council may choose to just list issues that should be addressed in a contract. This is an example of an issue for which either measures or commitments could be agreed upon during contract negotiations.)

Quality and Efficient Services

1. The *University* will graduate at least the following numbers of students during the contract period:

	1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year
Baccalaureate	_____	_____	_____
Masters	_____	_____	_____
Doctoral	_____	_____	_____

2. The *University* will \_\_\_\_\_ (ensure? strive to ensure?) that its research expenditures will be at least \$\_\_\_\_\_.

3. The *University* will \_\_\_\_\_ (ensure? strive to ensure?) sufficient feedback is being received from students and employers to determine institutional quality.

**STAFF RECOMMENDATION:**

**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. The list could include: production of teachers; production of scientific, technical and health professionals; retention and graduation of minorities; provision of career and financial counseling to students; educational leadership training; research; graduation rates; sufficient feedback from stakeholders; maintaining regional accreditation; access by place-bound students and students eligible for need-based financial aid; etc. While this list could contain issues relevant to all universities, the report should recommend that institutional-specific measures also be considered during contract negotiations.**

---

**Incentives and Penalties Relating to the Meeting of Performance Standards:**

Proviso language directing CEPRI to conduct the study on university contracts specified that the study was to include “penalties, if any, for failure to comply with the terms and conditions of each contract.” It seems appropriate for the discussion to also address incentives for meeting or exceeding performance expectations. In that light, the following options are offered:

COUNCIL FOR EDUCATION POLICY RESEARCH AND IMPROVEMENT

**Contract Specifications  
Options**

Meeting or Failing to Meet Performance Standards:

1. If \_\_\_\_ (all? all critical?) performance standards are met, the university will continue to have the tuition flexibility stated above.
2. If \_\_\_\_ (all? any? all critical?) performance standards are not met, the *University* will \_\_\_\_\_ (lose its tuition flexibility? submit to the Board of Governors its plans for improving its performance? have its General Revenue budget reduced by a certain percentage? renegotiate different performance standards?)

In these options, there is a strong link between the provision of tuition flexibility and the meeting of performance standards. Flexibility will be provided in exchange for a certain level of performance.

At what point, though, will tuition flexibility be removed if a university does not meet all of its performance expectations? For example, if it barely misses meeting one standard, out of all the ones in the contract, will flexibility be automatically removed, or will the threshold be higher? Should certain measures be identified as “critical,” meaning that the university must clearly meet the standards associated with those measures, or it automatically loses its flexibility? Should there, instead, be a grace period, which would allow the university to improve its performance before its flexibility is removed? If so, during that period, should the university be required to report its efforts to the Board of Governors?

Besides having tuition flexibility removed, another option would be to reduce the university’s general revenue budget. This option, however, would probably cause even more negative results – with a lower budget, the university would not only have a greater problem meeting its standards, programs and services would probably be reduced, causing additional problems. There is a possibility such a reduction would happen anyway, though, under Section 1008.31(2)(c), F.S.. Under that section, the State Board of Education is required to “adopt guidelines required to implement performance-based funding that allow 1 year to demonstrate achievement of specified performance standards prior to a reduction in appropriations pursuant to this section.”

Exceeding performance standards:

The discussion above dealt with meeting – or not meeting – performance standards. What happens if a university exceeds its expected performance? Should it be rewarded financially? Should it receive some type of public recognition for its performance? Should, instead, tuition flexibility be considered reward enough for meeting or exceeding performance standards?

**STAFF RECOMMENDATION:**

**Prior to the negotiation of contracts, the Board of Governors shall adopt rules or**

COUNCIL FOR EDUCATION POLICY RESEARCH AND IMPROVEMENT

**Contract Specifications  
Options**

guidelines specifying the process that would be implemented if performance standards are not met. These rules or guidelines shall include, but not be limited to, the following:

- **The direct linkage of a few critical measures to tuition flexibility:** The university should be given a year to improve its performance on such measures, should it not meet its standards for those measures. If the standards were reasonable, and the university had not met them by the next year, then the university would lose its tuition flexibility (i.e., not be able to increase its tuition) until its performance met the standards in the contract. At a minimum, the measures should address the issue of access by financially disadvantaged and place-bound students.
- **The submittal of a plan for improving its performance:** If the university did not meet its standard for any measure, including a critical measure, it should develop and submit to the Board of Governors a plan and timetable for its performance related to that measure.

COUNCIL FOR EDUCATION POLICY RESEARCH AND IMPROVEMENT

## **Decisions to be Made Concerning Multi-Year Contracts**

### **Contract**

#### **1. Who are the parties to the contract?**

RECOMMENDATION: The contract should be between the Board of Governors and the university.

#### **2. What term should be used for the consideration?**

RECOMMENDATION: Use the term “request,” if the Board of Governors is to be a party to the contract.

#### **3. Who will be the point of contact for each party?**

RECOMMENDATION: If the Board of Governors is a party to the contract, then the Chancellor or his/her designee should be the Board’s Contract Manager.

RECOMMENDATION: Since the president is responsible for the operation and administration of the university, he or she should be the Contract Manager for the university. To allow the president the flexibility to assign the day-to-day responsibility to key staff, though, the phrase “or his/her designee” should follow the president’s name.

#### **4. What will be the term of the contract?**

RECOMMENDATION: The contract should become effective July 1 of the fiscal year subsequent to execution by the parties and should continue in force for a period of three years. By mutual agreement of the parties, the contract may thereafter be extended for additional one year periods.

#### **5. How will disputes be resolved?**

RECOMMENDATION: Disputes should be resolved one of three ways: mediation, renegotiation, and cancellation. If mediation does not work, then the parties could try arbitration, renegotiation, or cancellation. If renegotiation does not work, either party could cancel.

#### **6. Who will sign the contract?**

RECOMMENDATION: All members of the Board of Governors and all members of the local Board of Trustees should sign the contract.

COUNCIL FOR EDUCATION POLICY RESEARCH AND IMPROVEMENT

## Contract Specifications

### 1. What Fiscal Specifications should be included?

#### a. Base Appropriations and Funding Increases

RECOMMENDATION: Include in the contract the following statement: The Board of Governors will request sufficient funds to enable the *University* to meet the performance standards specified in this contract.

RECOMMENDATION: The report should recommend that the state should establish, and the contract specifications should reflect the Board of Governors commitment to include in its Legislative Budget Request, 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.
- When state revenues improve, unfunded FTE could then be funded.

#### b. Tuition Flexibility

RECOMMENDATION: Full Flexibility - The Board of Trustees of the university may set tuition and matriculation fee rates at the full discretion of the board, contingent upon policies for tuition and Bright Futures being aligned.

RECOMMENDATION: The report should recommend that the Department of Education 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. If this is feasible, the Legislature should provide this flexibility to universities.

#### c. Financial Aid and Student Cost

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

#### d. Fixed Capital Outlay

RECOMMENDATION: Including PECO in the contract could have negative affects on universities not participating in the contract process, and on the public schools and community colleges delivery systems. In light of that fact, as well as the fact that, by February 2004, the Department of Education's Advisory Council on Educational Facilities will be recommending solutions to problems dealing with

COUNCIL FOR EDUCATION POLICY RESEARCH AND IMPROVEMENT

facilities, the recommendation is to not include PECO in university contracts at this time.

**2. What Performance Expectations should be included?**

RECOMMENDATION: 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. The list could include: production of teachers; production of scientific, technical and health professionals; retention and graduation of minorities; provision of career and financial counseling to students; educational leadership training; research; graduation rates; sufficient feedback from stakeholders; maintaining regional accreditation; access by place-bound students and students eligible for need-based financial aid; etc. While this list could contain issues relevant to all universities, the report should recommend that institutional-specific measures also be considered during contract negotiations.

RECOMMENDATION: The contract should ensure that sufficient feedback is being received from students and employers to assist in determining institutional quality.

**3. What Incentives and Penalties should be included?**

RECOMMENDATION: Prior to the negotiation of contracts, the Board of Governors shall adopt rules or guidelines specifying the process that would be implemented if performance standards are not met. These rules or guidelines shall include, but not be limited to, the following:

- The direct linkage of a few critical measures to tuition flexibility: The university should be given a year to improve its performance on such measures, should it not meet its standards for those measures. If the standards were reasonable, and the university had not met them by the next year, then the university would lose its tuition flexibility (i.e., not be able to increase its tuition) until its performance met the standards in the contract. At a minimum, the measures should address the issue of access by financially disadvantaged and place-bound students.
- The submittal of a plan for improving its performance: If the university did not meet its standard for any measure, including a critical measure, it should develop and submit to the Board of Governors a plan and timetable for its performance related to that measure.

## **Data Collection**

Should methods for Data Collection be included in the contract?

RECOMMENDATION: Since Florida State statutes currently direct institutions to continue to report data, there is no need to include a section in the contract on data collection and reporting methods. However, because the proviso directed CEPRI to investigate data collection and reporting methods, findings should be included in the final report.



## **DATA COLLECTION**

The proviso language from the Legislature directs CEPRI to examine how data will be collected “to demonstrate compliance with the terms and conditions of each contract.”

This section will discuss:

- The Department of Education’s “Data Dictionary” – a data collection system where universities report information on a weekly basis throughout the year.
- CEPRI investigation of the Data Dictionary and the feasibility to utilize the information from the Data Dictionary for the University Contracts Study.

### **SUMMARY**

- *So far there are no problems with institutions reporting the same data that was required under the Board of Regents or while using a new operating system chosen by the institution (PeopleSoft, or SCT). It is too early to tell if there will be any problems, but institutions are working together and with the DOE to maintain the same level and quality of data reported.*

### **DETAILS**

- The Data Dictionary is housed and maintained by the Department of Education. The Data Dictionary was in place under the Board of Regents and still exists because of Florida Statutes which state that “the State Board of Education shall continue to collect and maintain, at a minimum, the management information databases for state universities, and all other components of the public K-20 education system as such databases existed on June 30, 2002” (S. 1001.03, F.S.).
- Universities must submit information to the Department of Education in a specified format that allows for data comparison and compilation. The Department of Education displays on its website the information needed from institutions six weeks in advance. Therefore, institutions are submitting different data each week throughout the year. A listing of the topic areas and brief description are attached. There is an addendum that details all elements within the data dictionary and their corresponding File category.
- The Department of Education requesting office ensures the quality of the information through “checks.” Here the DOE looks for information that is not feasible, for example, a student’s social security number cannot be 000-00-000 or two students cannot have the same social security number.
- According to the Department of Education, currently there are no problems with institutions using different software programs. All institutions are using one of two systems (PeopleSoft, or SCT).

COUNCIL FOR EDUCATION POLICY, RESEARCH AND IMPROVEMENT

- 5 institutions have moved off of the State Comptroller's system so far (as of July 1, 2003)
  - USF
  - FAU
  - UCF
  - FGCU
  - NCF
  
- 6 institutions will move off of the State Comptroller's system July 1, 2004
  - UF
  - FSU
  - FAMU
  - UWF
  - FIU
  - UNF
- Once institutions move off of the State Comptroller's system (financial) then their Personnel system will be moved off 6 months later -- except for FIU who will move off Personnel one year later.
- FIU will change its entire system, (Student, financial, human resources, payroll). FIU is the only institution changing all systems at the same time.
  - FIU has a contingency plan and will stay on with the state's payroll for up to one year.
  - FIU has hired project managers that have expertise in major system changes.
- All institutions are sharing information and talking to each other throughout the transitioning process.

**STAFF RECOMMENDATION: Since Florida State statutes currently direct institutions to continue to report data, there is no need to include a section in the contract on data collection and reporting methods. However, because the proviso directed CEPRI to investigate data collection and reporting methods, findings should be included in the final report.**

COUNCIL FOR EDUCATION POLICY, RESEARCH AND IMPROVEMENT

**Statutes Which Apply to the Department of Education Data Collection**

August 2003

**Section 1001.02**

New language:

(Duties of State Board of Education – SBE)

“(2)(s) To establish a detailed procedure for the implementation and operation of a system wide K-20 technology plan that is based on a common set of data definitions.”

New language:

(Duties of State Board of Education – SBE)

“(7) (c) Establish an effective information system that will provide composite data concerning the community colleges and state universities and ensure that special analyses and studies concerning the institutions are conducted, as necessary, for provision of accurate and cost-effective information concerning the institutions.”

**Section 1001.03**

New language:

(Duties of State Board of Education – SBE)

(9) MANAGEMENT INFORMATION DATABASES.--The State Board of Education shall continue to collect and maintain, at a minimum, the management information databases for state universities, and all other components of the public K-20 education system as such databases existed on June 30, 2002.

**Section 1001.11**

New language:

(Duties of Commissioner of Education)

4) The commissioner shall develop and implement an integrated K-20 information system for educational management in accordance with the requirements of chapter 1008.

**Section 1001.74**

New language:

(re: duties of the University Boards of Trustees)

(16) Each board of trustees shall maintain an effective information system to provide accurate, timely, and cost-effective information about the university.

New language:

(re: duties of the University Boards of Trustees)

(40) Each board of trustees may adopt rules and procedures related to data and technology, including information systems, communications systems, computer hardware and software, and networks.

**Section 1001.75**

New language:

(University Presidents; powers and duties)

(17) Maintain all data and information pertaining to the operation of the university, and report on the attainment by the university of institutional and statewide performance accountability goals.

COUNCIL FOR EDUCATION POLICY, RESEARCH AND IMPROVEMENT

**Section 1008.31**

New language:  
(Accountability, K-20)

(4) SYSTEMWIDE DATA COLLECTION.--School districts and public postsecondary educational institutions shall maintain information systems that will provide the State Board of Education and the Legislature with information and reports at a level of comprehensiveness and quality no less than that which was available as of June 30, 2001.

**Section 1011.4105**

New language:  
(University ERP system implementations)

1011.4105 Transition from state accounting system (FLAIR) to university accounting system.--

(1) Universities and colleges under the supervision of the State Board of Education shall use the state accounting system (FLAIR) for fiscal year 2002-2003. The universities shall not be required to provide funds to the Department of Banking and Finance for the utilization of FLAIR.

(2) Beginning with the 2003-2004 fiscal year any university may transition from FLAIR to the university's accounting system.

(3) To accomplish the transition from FLAIR to a university's accounting system the university board of trustees must submit to the State Board of Education a plan developed in cooperation with the State Comptroller (Chief Financial Officer.) The plan must contain the actions the university will take, or has taken, to implement this transition. The plan must provide time lines for completion of actions and the target date the university will have implemented and tested parallel systems with appropriate audit and internal controls in place that will enable the university to satisfactorily and timely perform all accounting and reporting functions required by State and Federal law and rules of the State Board of Education.

(4) When a university is ready to transition from FLAIR to its own system, the State Board of Education shall verify that the system the university has implemented and tested is adequate for the university, the university has appropriate audit and internal controls in place, the university has the resources required to operate and maintain the system, and that the university and the State Comptroller (Chief Financial Officer) are prepared to implement the transition. The State Board of Education shall submit to the Executive Office of the Governor and the Chairs of the Appropriations Committees of the Senate and House of Representatives confirmation of this verification and the date the transition will be effective. Transition for any university shall not take place until after the State Board of Education has submitted this confirmation.

(5) The State Board of Education in cooperation with each university and the Department of Banking and Finance shall develop a plan and establish the deadline for all universities to have completed the transition from FLAIR. The Board shall submit a copy of this plan to the Executive Office of the Governor and the Chairs of the Appropriations Committees of the Senate and House of Representatives.

COUNCIL FOR EDUCATION POLICY, RESEARCH AND IMPROVEMENT

**Data Dictionary Files & Brief Description**

- Admissions File
  - Topic: Admissions data
  - Examples: Demographics, ethnicity/race, standardized tests scores, admissions status, high schools, and GPA.
- College Prep File
  - Topic: Remediation
  - Examples: Remediation area, remediation completion method, community college, and high school.
- Expenditure Analysis
  - Topic: Allocation of financial resources
  - Examples: Instruction and research activities, college, cost activity, and account/department number
- Hours to Degree File
  - Topic: Number of hours/course students take to graduate
  - Examples: demographics, ethnicity/race, common course prefix, common course number, last institution code, grade awarded, degree – level granted, fee classification – residency, student birth year, number of degree program changes, hours to degree, and repeat indicator
- Instructional Activity File
  - Topic: Course meeting logistics
  - Examples: Course section number, beginning time of course, ending time of course, day of class meeting, building number, room number, common course number, state fundable credits, and total student credit hours for course section.
- Instruction & Research Data
  - Topic: Financial elements related to instruction and research
  - Examples: Faculty rank, racial ethnic group, gender, term identifier, course section number, course credit hours, instruction and research activities, college, total fundable student credit hours, contact hour modifier, program discipline, employee contact hours, and tenure status.
- Limited Access File
  - Topic: Students participating in limited access programs
  - Examples: Gender, racial/ethnic group, limited access category, year, month, limited access degree programs and limited access admissions.
- Operating Budget File
  - Topic: Allocation of operating budget
  - Examples: Appointment status, university hire date, salary dollars, pay grade, pay plan, base rate, collective unit bargaining unit code, retirement code, account/department number – employee, budgeted weeks of activity, step number – USPS,

COUNCIL FOR EDUCATION POLICY, RESEARCH AND IMPROVEMENT

budget year identifier, state fund type, salary change type, and pay grade ranges – SUS, commitment type.

- Physical Facilities Space File
  - Topic: Use of facilities and space
  - Examples: Building number, room number, room program, room capacity, building joint-use indicator, building construction type, building construction year, building condition, building mechanical system condition, building electrical system condition, and building plumbing system condition.
- Retention File
  - Topic: Student retention
  - Examples: gender, racial/ethnic group, current term load, CLEP Credit, GPA, High School GPA, full-time, part-time, number of degree program changes, institution next attended, hours earned, and hours attempted
- Salary Category File
  - Topic: Instructional employees salary and information
  - Examples: appointment status, account/department, rank, salary dollars, gender, racial/ethnic group, degree – highest level held, tenure status, citizenship, and health insurance provider code
- Student Financial Aid File
  - Topic: Student who apply for financial aid
  - Examples: gender, racial/ethnic group, family income, financial aid need, financial aid award program identifier, source of funds, and need based aid flag
- Student Data Course File
  - Topic: Information regarding courses that students take
  - Examples: Gender, racial/ethnic group, degree sought, current term load, transfer credits, fee classification, common course number, state fundable credits, and date of last attendance
- SUPERS (State University Personnel/Employee Records System) File
  - Topic: Personnel and employee records information
  - Examples: Submission Header, Social Security Change, Salary Change, Other Personal Services (OPS), Employee Demographics, Deduction, Budget Position, Appointment\Resource Commitment
- Teacher Education File
  - Topic: Students in teacher preparation programs
  - Examples: Gender, racial/ethnic group, degree granted, degree program category, fee classification – residency, SAT score, Florida Teacher Certification Examinations (FTCE) professional knowledge exam, FTCE subject area exam, GPA – general education component, state approved teacher prep program, and admission/completion information.

## **Examples of Information Available Within University Databases**

- The nation and county of origin, residency status, high school, age, race, sex, admission status, high school grade point average, and ACT or SAT test score of each entering first time in college student.
- The degree program, class level, and degrees awarded to each student.
- The common course number, term, discipline, level and credit hours associated with every class taken by every student.
- Each student's grade in each class and overall grade point average.
- The number of students in each class.
- Who taught each class.
- An estimate of the cost of each class.
- The discipline and mode of instruction of each class.
- The credit hours and student contact hours associated with each class.
- The location and time of day each class was offered.
- The percent of each faculty member's time and salary spent on instruction in each class, and on research, public service, and other academic activities.
- The salary, full time equivalence of appointment, title, programmatic purpose, date of employment by the state, date of employment by the institution, birth date, bargaining unit, benefits, and account(s) paying the salary of each faculty and staff position.
- The rank, tenure status, date granted tenure, and highest degree awarded each faculty.
- The type, source and amount of all financial aid awards to each student by year and term.
- Each fee waiver received by each student and the amount and justification for the waiver.
- The dependency status and family income of each student receiving need-based student financial aid.
- The beginning of the year budget and an end of the year total of the expenditures by category of expenditure related to every account at each university and budget entity.
- The primary function served through each account and a summary of expenditures by expenditure category on each function.
- Annual expenditures by functional area and by discipline and level of course for each university and budget entity.
- The size, programmatic purpose and utilization, university and budget entity affiliation, capacity, building and floor location, and condition of each room owned by the university system.
- The age, date of acquisition, address, type of construction, condition, size, and date of alteration of each building.
- The name, location address, number of buildings, parking capacity and budget entity associated with each facility site.

## **Brief Summary on the Higher Education Act (HEA) Reauthorization**

---

HEA will expire on September 30, 2004. This impending expiration requires that the 108th Congress consider extending, or “reauthorizing,” the HEA in 2003–04. This would be the eighth HEA reauthorization; previous reauthorizations occurred in 1968, 1972, 1976, 1980, 1986, 1992, and 1998. Each reauthorization offers Congress, the Department of Education (ED), and the higher education community an opportunity to reexamine the purposes of the Act and the programs that serve those purposes. The HEA authorizes the federal government's major student aid programs, as well as other significant initiatives.

### HEA programs and activities fall primarily into four main categories:

- student financial aid,
- services to help students complete high school and enter and succeed in postsecondary education,
- aid to institutions, and
- aid to improve K-12 teacher training at postsecondary institutions.

### There are seven titles in the HEA:

- Title I — General Provisions
- Title II — Teacher Quality Enhancement Grants
- Title III — Institutional Aid
- Title IV — Student Assistance
- Title V — Developing Institutions
- Title VI — International Education Programs
- Title VII — Graduate and Postsecondary Improvement Programs

### **Possible Issues for Reauthorization**

Although program authorizations in the HEA do not expire until FY 2004, there is growing interest in the U. S. Congress in the issues that might be considered during the reauthorization process.

- college costs and prices,
- federal tax benefits,
- standards and accountability,
- need analysis,
- distance education,
- teacher quality and quantity,
- student loans, and
- Pell Grants.
- Effectiveness of the HEA programs in increasing post-secondary access
- Factors influencing college prices and the appropriate federal role, if any, in addressing price increases
- Impact on HEA student aid programs of the growth in federal tax benefits for post-secondary expenses
- Measures that might be used to hold participating institutions accountable for educational outcomes; and
- Impact of the growth in post-secondary distance education.



COUNCIL FOR EDUCATION POLICY, RESEARCH AND IMPROVEMENT

In addition, the Congress *may* address issues specific to individual HEA programs.

- For the HEA's major sources of postsecondary education support — Pell Grants and FFELs/ DLs, these issues may include the following.
  - Among potential Pell issues, the Congress may consider targeting Pell grants to the first 2 years of enrollment to reduce reliance on loans in those years.
  - Issues for FFELs/ DLs may include whether current loan limits should be raised, and whether the current framework of FFELs and DLs should be maintained or modified.

### **Most Recent Developments**

- On February 8, 2002, S. 1762 was signed into law as P. L. 107-139. This legislation amends the Higher Education Act by extending the interest rate structure currently in effect for federal student loans through June 2006, and repealing a replacement interest rate structure scheduled to take effect on July 1, 2003. This legislation also changes the interest rate charged to borrowers on new loans, as of July 1, 2006, from a variable rate based on market conditions to a fixed rate of 6.8% for student borrowers and 7.9% for parent borrowers.
- On July 16, 2002, the House failed to approve H. R. 4866 (Fed Up Higher Education Technical Amendments of 2002) under suspension of the rules. This legislation makes a series of technical amendments to the Higher Education Act, many stemming from recommendations submitted to the House 21<sup>st</sup> Century Competitiveness Subcommittee by the higher education community regarding regulatory impediments that limit access to federal student aid.
- FY 2002 supplemental appropriations legislation (P. L. 107-206), as signed into law on August 2, 2002, includes \$1 billion to help meet a shortfall in the Pell Grant program.