

Note to Governor Scott from the University of Florida – September 22, 2011

Governor Rick Scott has called for a re-examination of higher education in the state of Florida and has promoted scrutiny of Texas' "7 Breakthrough Solutions for Higher Education" as a starting point. The fundamental questions at issue revolve around accountability, whether the university's mission is aligned with State goals, and the return on State investment. The Texas plan proposes to change the landscape of higher education primarily through its use of student evaluations to focus on teacher performance. Merit pay and tenure would be affected similarly by student evaluations and the quantity of students taught.

Many of the accountability proposals in the Texas plan are currently embedded in the University of Florida's approach to accountability. Teaching is evaluated annually using student and peer input, and evidence of good teaching is required for tenure and promotion. UF has a robust system of post-tenure review to ensure that faculty members remain productive throughout their careers. Students control their destiny through the ability to take their state-funded Bright Futures scholarships wherever they choose to matriculate. Student satisfaction and success is further measured by retention rates, graduation rates, and applicant demand for admission.

The University of Florida has a unique mission among the state's universities to serve as its comprehensive research and land-grant university of national and international scope. What should the State of Florida ask of a major research university within its borders? The State should expect it to:

- (1) Graduate in a timely and cost-effective manner the next generation of civic leaders, entrepreneurial businessmen, health professionals, innovative scientists and engineers, and dedicated teachers to comprise a competitive workforce capable of leading the state's economic development.
- (2) Produce the nation's next generation of intellectual property: that is, new discoveries and technologies that improve our standard of living that answer social, scientific and technological challenges, and that serve as the basis for a new Florida economy.
- (3) Move that intellectual property swiftly into the economic mainstream of Florida through aggressive licensing policies, business startups and incubators, venture capital, and tech transfer.
- (4) Leverage the university's expertise to address Floridians' current social, health, agricultural, and economic needs.

By virtue of state investment spanning a century, combined with billions of dollars of research investment, the University of Florida has become one of the nation's most powerful and effective institutions of higher education. UF graduates more than 15,000 students annually, including more than 9,000 students at the bachelor level. While we constantly seek to improve, UF's graduation rate is the best in the state and among the nation's best. For over one hundred years, it has exercised its mission as the state's land-grant institution to materially improve the health and economic well-being of Floridians in every one of the state's 67 counties.

UF is the state's sole member of the Association of American Universities (AAU), an exclusive organization of 61 major North American research universities, whose members drive the nation's research and tech transfer agendas¹. In contrast with Florida, many other states have two or more research universities equipped to drive aggressive statewide agendas to secure the future. Because of this reality, Florida must use to maximum advantage its one nationally and internationally competitive institution.

We suggest examining UF's compact with the State in light of its unique capabilities and mission. This discussion should focus on the relative importance of goals (1) through (4) above and associated accountability measures. All of the goals are important, but the State has weighted them differently at various times.

With respect to the first goal, UF has always honored its responsibility to educate the best and brightest students graduating from Florida high schools and will continue to do so. We continually seek to improve the undergraduate experience through local and national initiatives. We are a national leader in the reformulation of STEM education under the auspices of a Howard Hughes Medical Institute grant. We are launching the Innovation Academy as a unique experiment in American higher education. It will operate on a spring-summer schedule instead of a fall-spring schedule to increase access and optimize efficient use of capital investment made by the state to improve facilities usage. Students will be offered the opportunity to join a cohort of colleagues pursuing an undergraduate degree in an entrepreneurial atmosphere of innovation and creativity. UF also participates in STEM education initiatives conducted by our national organizations, the AAU and the Association of Public and Land Grant Universities (APLU).

We recognize, however, that there are many other colleges and universities in the state able and willing to contribute to undergraduate education.

Over the last two decades, to meet the needs of a rapidly developing state, UF has increasingly emphasized research, graduate education, and economic development. These activities are critical to the state and will produce the best return on investment since UF is uniquely endowed with expertise for these pursuits. For example, UF's prominence in biomedical research and education was a key factor in attracting major players to the state's nascent biomedical industry. In the past decade, UF has also placed increased emphasis on STEM and professional master degrees.

UF's research, graduate education and economic development agendas are inextricably intertwined. Graduate students and faculty partner in developing new intellectual property and in competing for \$600 million in external grants and contracts that UF wins each year². Those funds are expended largely to employ people and represent an important component of the state economy. The investments made by these grants result in capital investment and capacity at the university which is also useful to the teaching mission beyond the research for which they are funded.

¹ In FY09, the University of Florida ranked 16th among U.S. public institutions in terms of research expenditures.

² In FY09, UF's research expenditures of \$592M constituted 42% of the research expenditures in the State University System.

For instance, UF's competitiveness in attracting private research investment often yields laboratory and technological resources that are used, in part, for education and training of students.

UF's accomplishments can be traced to the success of our faculty. They deliver exemplary education, they secure the grants and contracts, and they create the new intellectual property that will underpin the state's future. A university is only as good as its faculty. UF's is outstanding, and it must remain so. Therefore, it is critically important that UF remain able to compete effectively in the marketplace to recruit the very best. The marketplace for this competition is national and international, and success in this marketplace yields huge dividends for the university and the state.

The Governor wants to increase accountability. If we agree that (1) through (4) are paramount goals for UF, then appropriate accountability measures should apply to gauge outcomes. We suggest that the following accountability measures are appropriate gauges of achievement for (1) through (4) in comparison with those of national peers:

- (1) 4- and 6-year graduation rates for undergraduates; time to degree for graduate students; number of STEM graduates; percentage of bachelor degrees in STEM; professional licensure passage rates; placement of graduating students in the workforce, graduate school and professional schools; average indebtedness of graduating students
- (2) Number of patents; external research grants and contracts
- (3) Number of licenses, royalty income³, new business spin-offs⁴
- (4) Number of medical, nursing, and dental clinics; efforts to improve teacher preparation and in-service training; citizens and industries serviced by IFAS; number of jobs created

The University of Florida is an enthusiastic partner in the Governor's effort to foster excellence and increase return on investment. This is the beginning of a discussion about the execution of our mission as a major research institution with multiple public obligations. We welcome further discussion on these points, including the weightings assigned to (1) through (4) and the associated accountability gauges. While their interplay should be discussed vigorously, grossly devaluing any of the four goals would be counterproductive and very costly to the state.

We are, and we intend to remain, the state's most capable partner in higher education to promote the state's goals and interests. We look forward to fine-tuning this understanding in the future.

³ During the period 2005-2010, UF received over \$217M in royalty income.

⁴ UF spin-off companies had an estimate \$540M in revenues/expenditures in 2010. Spin-offs had a \$1.43 billion impact on Florida's economy. They contributed more than 8,000 jobs to Florida's economy.