

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: SB 1596

SPONSOR: Senator Sebesta

SUBJECT: University of South Florida St. Petersburg

DATE: April 2, 2001 REVISED: 04/03/01 _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>White</u>	<u>O'Farrell</u>	<u>ED</u>	<u>Favorable</u>
2.	<u>Collins/McKee</u>	<u>Hickam</u>	<u>AED</u>	<u>Fav/1amendment</u>
3.	_____	_____	<u>AP</u>	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This bill converts the branch campus of the University of South Florida in St. Petersburg into a fiscally autonomous campus with a separate campus board and executive officer. It requires the University of South Florida to seek separate accreditation for the University of South Florida St. Petersburg campus. The Board of Trustees of the University of South Florida will appoint the members of the Campus Board from recommendations of the President of the University of South Florida, who will appoint the Campus Executive Officer.

This bill amends the following sections of the Florida Statutes: 240.2011, 240.527.

II. Present Situation:

Postsecondary Education Systems in Large States

Florida's postsecondary education system consists of 10 state universities, 28 community colleges, and 41 technical career centers operated by public school districts or by a charter agreement. The community colleges award 2-year Associate in Arts degrees and, under a statewide articulation agreement, all AA-degree graduates are admitted to the upper division of one of the state universities.

Unlike most large states, Florida has no middle tier between community colleges and state universities. For instance, California has a 2-year community college system, the 23 campuses that comprise the California State University, and the 10 campuses that comprise the University of California. The California State University institutions offer only baccalaureate and master's degrees, while the University of California institutions are research universities containing five medical schools and three law schools. A new research institution, UC Merced, is planned to meet unprecedented growth in student population.

Access to Baccalaureate Programs in Florida

The Florida Board of Regents Strategic Plan for 1998-2003 points out that the Florida system resembles California's in its need for increased access. The Postsecondary Education Planning Commission projects an increase of 150,000 new undergraduate students between now and 2010. The number of occupations that require 4-year degrees is increasing so much that the number needed will increase by 31 percent by 2005. This statistic means that the state should add to its current graduation rate an additional 240,000 people with baccalaureate degrees.

State policy in Florida has been to meet the need through increasing enrollment at existing universities, increasing the state subsidy to independent institutions, and increasing distance education and technology. These policies have been effective, but analysts cite the following facts as evidence that the state must look for additional solutions:

- The universities in the State University System are among the largest in the nation -- on average, over twice as large as those in the other 49 states. Five of our universities have over 30,000 students each.¹
- In 2000, the Legislature raised the state subsidy for students in independent colleges to \$2,813, the highest award since the program's creation in 1980. The number of students who receive the grant is over 23,000.² Increasing the amount of the award or adding to the number of institutions eligible to receive it would increase access, but it would also increase the disparity between need-based student assistance programs and others.

In a 1998 feasibility study by the Postsecondary Education Planning Commission, the following principles were recommended to guide deliberations about whether to establish new state universities similar to the California system:

- The system should be developed by combining existing facilities and new construction, rather than by building entirely new campuses.
- Any new institutions created should focus on the baccalaureate-degree level, with some master's degree programs.
- The degree programs should be limited primarily to liberal arts and sciences, business, education, and social sciences.
- The selection of sites for any new institutions should be determined by the need at the local level, including the availability of postsecondary education opportunities provided by existing institutions.

Role of Branch Campuses

Most of the state universities operate branch campuses, and the Legislature has appropriated over \$11 million directly to branch campuses in the past 5 years. However, enrollment at branch campuses has increased little, and branch campuses have had little effect on the number of baccalaureate degrees granted.³

¹ National Center for Education Statistics, *Digest of Education Statistics*, 1999.

² The William L. Boyd, IV, Florida Resident Access Grant, s. 240.605, F.S. This program awards an annual grant of up to \$3,000 to each Florida resident who attends one of 27 private colleges. Eligible colleges must grant at least the baccalaureate degree, earn accreditation by the Southern Association of Colleges and Schools, operate as not-for-profit, and be located and chartered in Florida.

³ Counting all branch campuses, the total enrollment growth that can be attributed to them in the past 5 years is only 2,294 FTE.

The programs at branch campuses are designed to meet the needs of populous areas without 4-year public colleges, but recent discussions have questioned whether they are adequately meeting community needs. The branch campuses tend to serve a different clientele from the main campus, enrolling predominantly older students who attend part-time while also fulfilling the obligations of employment and family management. The programs needed by these students, who are likely to have difficulty traveling to the main campus, may differ from the programs offered at traditional universities. A university graduate may relocate to pursue an employment opportunity, but many “nontraditional” students need degrees that will help them advance in occupations where they are. A 2000 Interim Project by the Senate Education Committee suggested that branch campuses “may benefit from teaming up with community colleges, or emulating them, by studying local economies and targeting programs that will improve them.”⁴

Accreditation

The Commission on Colleges of the Southern Association of Colleges and Schools accredits all Florida public universities and colleges. Branch campuses are accredited by virtue of the accreditation of the main campus. Standards are required for branches, but they are not as stringent as those of freestanding colleges. For instance, the branch campus is not required to employ the same proportion of full-time doctoral level faculty members. Library standards and laboratory standards may also be less stringent for branch campuses.

USF St. Petersburg

The University of South Florida St. Petersburg is located on Bayboro Harbor in downtown St. Petersburg, on the waterfront. The campus hosts colleges of arts and sciences, business, education, and nursing. It is nationally recognized for its graduate program in marine science. USF St. Petersburg also houses the Knight Oceanographic Research Center, a 160,000-volume library, a computer center and depot, a fitness center and other student recreational facilities.

The branch campus now admits freshmen and sophomores and offers full academic programs for undergraduates and graduates, including a doctoral degree in Marine Science. The campus holds several endowed chairs whose scholars are in the fields of media ethics, ethics, and marine science.

The 35-year-old campus is the largest regional branch campus of the University of South Florida and was the state university system's prototype for such campuses. The U.S. Geological Survey's Center for Coastal Geology, the Florida Institute of Oceanography and the Florida Marine Research Institute are located here. A medical, research and cultural complex also surrounds the campus

III. Effect of Proposed Changes:

University of South Florida St. Petersburg:

The legislation under consideration will amend s. 240.2011, F.S., which defines the state university system, to state that the campus of the University of South Florida in Pinellas County will be a fiscally autonomous campus. It rewords s. 240.527, F.S., to establish the current branch

⁴ Florida Senate Education Committee, Postsecondary Education Issues (Interim Project 2001-012, October 2000), page 2.

campus as a fiscally autonomous unit named the "University of South Florida St. Petersburg." The intent is for the campus to be operated as a separate organizational and budget entity of the University of South Florida, and that all legislative appropriations for the University of South Florida St. Petersburg be set forth as separate line items in the annual General Appropriations Act.

Accreditation

The bill directs the President of the University of South Florida to begin the process of separate accreditation for the campus no later than July 1, 2001. If the application reveals deficiencies, the University of South Florida must correct them and continue to work for accreditation.

Administration

The University of South Florida St. Petersburg will have a Campus Executive Officer and a Campus Board. The President of USF will appoint the Campus Executive Officer and will also recommend members to be appointed to the board. The Board of Trustees of the University of South Florida will make the appointments from among her recommendations. The USF Board of Trustees does not yet exist, but if the Legislature enacts into law the recommendations of the Florida Education Governance Reorganization Task Force, the Governor will appoint the 11 members July 1, 2001.

Campus Board

Under the Bill, the Campus Board will consist of five residents of Pinellas County. It will share one member with the USF Board of Trustees, if that board has a member who is a resident of Pinellas County.

The Campus Board has the following powers and duties, in addition to any others conferred to it by other laws or rules:

- Review and approve an annual legislative budget request to be submitted to the Commissioner of Education. The request will include items for campus operations and fixed capital outlay.
- Approve and submit an annual operating plan and budget for review and consultation by the Board of Trustees of the University of South Florida. This budget must reflect actual funding available to the campus from separate line items in each annual appropriations act. Initially, the budget will reflect the funds reported to the Florida Legislature for the University of South Florida St. Petersburg campus for fiscal year 2000-2001 and any additional funds provided in 2001-2002.
- Enter into contracts for central support services with the Board of Trustees of the University of South Florida for any services that the campus at St. Petersburg cannot provide more economically. The bill specifically requires legal services to be provided by a central services contract with the university. Terms for sharing any fee revenue between the two campuses must be in a letter of agreement executed by the Board of Trustees and the Campus Board.
- The Board of Trustees may delegate other powers and duties to the Campus Board, particularly any that are necessary for separate accreditation.

Campus Executive Officer

Under the provisions of the Bill, the Campus Executive Officer works directly for the President of USF. The Campus Executive Officer has the duty and responsibility to:

- Administer campus operations within the annual operating budget.
- Recommend to the Campus Board an annual legislative budget request that includes funding for campus operations and fixed capital outlay.
- Recommend to the Campus Board an annual campus operating budget.
- Recommend to the Campus Board appropriate services and terms and conditions to be included in annual central services contracts.

Carry out any additional responsibilities required by the President of the University of South Florida, especially any required for accreditation of the separate campus.

Students

The bill stipulates that students enrolled at the branch campus have the same rights and obligations as students at the main campus. Specifically, the University of South Florida will provide a comprehensive and coordinated system of student registration to preserve a student's ability to register for courses at any other campus.

Exempt Entities

The bill states that the following remain under the control of the University of South Florida:

- The University of South Florida College of Marine Science
- The Florida Institute of Oceanography, which is created in law as a Type I Institute, with statewide responsibilities.
- The University of South Florida Pediatric Research Center
- The University of South Florida/USGS joint facility.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

If its status as a fiscally autonomous campus improves its ability to offer needed programs or to raise funds, students who reside in St. Petersburg will have an expanded choice of programs to access a baccalaureate degree program. They may save the expense of traveling

to Tampa for any required courses that are not currently available at a branch campus near their homes or places of work.

C. Government Sector Impact:

To become accredited, the University of South Florida St. Petersburg will need to make improvements, particularly in its library and faculty. As of March 17, 2001, the Senate's proposed General Appropriations Act contains an increase of \$2,436,000 for the University of South Florida branch campus in Pinellas County. An additional \$5 million is in the Senate's proposed budget for "Targeted Baccalaureate Degrees." Funds could be allocated from either of these appropriations for these improvements.

VI. Technical Deficiencies:

None.

VII. Related Issues:

Committee Substitute for Senate Bill 986 creates a fiscally autonomous campus of the University of South Florida in Sarasota. If both bills become law, the University of South Florida will be comparable to a small state college system.

VIII. Amendments:

#1 by Appropriations Subcommittee on Education

Provides that nothing contained within this section of law shall be construed to adversely impact the accreditation of the University of South Florida.