

# Florida College System Task Force Funding Options

## *Community College Program Fund-Related Options*

### **Option 1 (Recommendation): Florida College System's Lower Division Total Cost of Instruction plus 35%**

This option generates a need of \$4,400 per FTE in funding for FCS upper division enrollments, or a total of \$21,123,476 for the 10 colleges currently offering baccalaureate degree programs. This calculation is based on projected enrollments of 4,801.3 for 2009-10. This option provides funding for academic and institutional support and services (direct and indirect costs) required to operate the institutions and meet the educational needs of the upper division students. This option, combined with related student fees, would provide the resources necessary to meet the educational needs of the upper division students until such time as the review of actual cost data over time indicates a need to modify the model.

A review of best practices at baccalaureate-granting community colleges, four year colleges, and universities around the country indicates that funding ratios between upper and lower divisions consistently fall between 35 and 50 percent. Utilizing the lower end of this funding spectrum in setting the funding ratios between upper and lower division work in the Florida College system will both accommodate the flexibility needed to adequately develop or expand upper division academic programs while insuring that overall costs for upper division work remains substantially below the cost for similar work in the State University System. Decoupling upper division funding from the State University System will insure internal decisions being made and reporting methodologies being used in state universities don't inadvertently and inappropriately impact the autonomous operations and educational activities in the Florida College System. The use of this option compensates (through the comparisons of multiple delivery systems) for the potential inflation of some funding formula factors and inadvertent over estimation of actual costs, subsequently creating a practical assessment, over time, of the resources necessary to adequately fund the upper level academic programs and related support services.

### **Option 2 (Alternative): Florida College System's Lower Division Total Cost of Instruction plus 45%**

This option generates a need of \$4,725 per FTE in funding for FCS upper division enrollments, or a total of \$22,688,178 for the 10 colleges currently offering baccalaureate degree programs. This calculation is based on projected enrollments of 4,801.3 for 2009-10. This option also provides funding for academic and institutional support and services required to operate the institutions and meet the educational needs of the upper division students. This option, combined with related student fees, would provide the resources necessary to meet the educational needs of the upper division students.

A historical comparison of upper division expenditures to lower division expenditures in the State University System indicates that funding ratios have, over time, been remarkably consistent at an average of 45 percent. Utilizing the same historical precedent in setting the funding ratios between upper and lower division work in the Florida College system will also accommodate the flexibility needed to adequately develop or expand upper division academic programs while insuring that overall costs for upper division work remains substantially below the cost for similar work in the State University System as well. Decoupling upper division funding from the State University System will insure internal decisions being made and reporting methodologies being used in state universities don't inadvertently and inappropriately impact the autonomous operations and educational activities in the Florida College System. The use of this option may inadvertently inflate some of the funding formula factors substantially over estimated actual costs, subsequently creating a larger overall need than necessary to adequately fund the programs.