

Florida Gulf Coast University: Organizing for Strategic Impact



FINAL REPORT

Nov. 18, 2024

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Introduction

Florida Gulf Coast University (FGCU) is making significant changes to respond to the needs of students, employers, and the state of Florida. These shifts have impacted actions and decisions from the President's office to administrators, Deans, faculty, staff, and ultimately, students.

Specifically, FGCU has:

- Seated a new University President on July 1, 2023.
- Developed a new five-year strategic plan, [FGCU's Journey to Excellence](#), that sets forth new, ambitious goals for the University to achieve.
- Added numerous new programs and associated academic departments.
- Expanded academic offerings to include workforce-aligned, short-term credentials.
- Increased its enrollment and service area to serve more Florida students.

Together with these campus-focused shifts, larger changes across the State University System (SUS) have also impacted FGCU, especially when it comes to funding. The state's performance funding formula determines funding amounts for all institutions within the SUS and is based partly on various performance indicators. These indicators are measured across all SUS institutions. Each institution is assessed based on its performance relative to the other SUS institutions. Based on these metrics, FGCU will only qualify for up to 50% of state investment funding for the 2024-25 year.

Taken together, these factors make it an opportune time for the University to examine itself and ensure that it is intentionally aligned to achieve the goals set out in the new strategic plan and the incentives present in the SUS performance funding formula. This report aims to contribute to that reflection by providing data, evidence, and recommendations. The goal is to inform strategic alignments that may be necessary to keep the University on a path of continuous improvement and service to its students and the state of Florida.

Overview of Strategic Plan and Performance Funding Goals

FGCU is guided by the new strategic plan approved in early 2024. The 2024-29 Strategic Plan includes the following goals:

- Goal 1: Innovate in Academic Excellence.
- Goal 2: Student Success and Well-Being.
- Goal 3: Elevate Partnerships for Regional Impact.
- Goal 4: Strengthen Organizational Culture and Commitment to Employees.
- Goal 5: Champion Sustainable Practices and Resiliency.

FGCU developed the plan through a campus-wide effort that involved students, faculty, staff, and the community. Along with setting goals, FGCU identified specific objectives for each and established Key Performance Indicators (KPIs) to evaluate progress toward achieving each goal.

Intentionally, there is an overlap between the institution’s strategic plan goals and the SUS performance metrics. A subset of these metrics are also areas for improvement at FGCU. They could have the greatest impact on FGCU’s future allocation from the Florida State University System, including:

- Metric 4: Four-Year Graduation Rate (Full-Time FTIC).
- Metric 5: Academic Progress Rate (Second Year Retention with GPA Above 2.0).
- Metric 9a: Three-Year Graduation Rate for FCS Associate in Arts Transfer Student.
- Metric 9b: Six-Year Graduation Rate for Students who are Awarded a Pell Grant in their First Year.

To support FGCU’s plans to reach both the strategic plan goals and grow in the SUS performance funding metrics, NCHEMS was contracted to complete both qualitative and quantitative analysis and provide recommendations to the campus. In the following sections, we share those findings. We also provide recommendations focused on the organizational and functional structure of FGCU, and how changes in these areas may help support the campus in reaching its goals.

Approach

NCHEMS employed a variety of methods to inform our recommendations. In the spring of 2024, the NCHEMS team made two visits to FGCU and hosted three virtual town halls. These engagements aimed to share information about the project and to learn from the FGCU campus community. During these visits, we met with a broad range of campus community members, ranging from leadership, to students, faculty, and staff to listen and learn from them.

To better understand FGCU relative to other similar institutions, NCHEMS identified a group of peer institutions and compared IPEDS enrollment, retention, expenditure, and other data. We also compared FGCU to a second, smaller set of peer institutions identified internally by FGCU leadership.

To gain more insights beyond a university-level peer analysis, NCHEMS also requested and received an extensive amount of quantitative data by school/college to disaggregate the SUS performance funding metrics by college and school. The review used academic progress, completion, and other measures to understand FGCU’s past performance.

Summary of Key Findings

Several key findings emerged from the peer analysis and college/school level analysis of the SUS performance funding metrics, as well as from virtual and on-campus engagements with FGCU faculty and staff. The bullet points below provide a high-level summary of these findings, and each are explored in further detail in the sections that follow:

Student Enrollment

- Analysis of Full-Time Equivalent (FTE) enrollment indicates that FGCU has experienced a tremendous period of enrollment growth, unlike its peers.
- The College of Engineering, School of Entrepreneurship, and the Water School have experienced the most undergraduate enrollment growth.
- The Colleges of Business and Health and Human Services have experienced the most graduate enrollment growth.

Expenditures & Instructional Expenditures

- Total expenditure per Full-Time Equivalent Student is below the NCHEMS-selected peers and equal to the FGCU-selected peers.
- All FGCU colleges have increased per-credit expenditures since 2019.
- Institutional support expenditures are much higher than those reported by the peer institutions and necessitate further examination.
- Spending on instruction per FTES is lower at FGCU than the peer institutions.
- FGCU faces higher costs in offering programs in Engineering and in Business, relative to the other programs offered at the institution. Costs in Health and Human Services are unusually low due to external funding sources – in most institutions, these programs would be among the costliest.

Faculty and Staffing Trends

- Along with enrollment, FGCU has fairly steadily increased its total number of employees over the past ten years.
- FGCU maintains a student-to-faculty ratio above that of its peers.
- Most FGCU colleges have remained relatively stable in undergraduate and graduate credit hour production per instructional FTE faculty members.
- The Lutgert College of Business has more than doubled its graduate credit hour production per FTE faculty member in recent years.

Performance-Based Funding Metrics

- All FGCU colleges and schools are performing around campus average for the retention of first-year, first-time students with a GPA above 2.0 (Florida SUS PBF Metric 5).
- The FGCU College of Business has more than doubled its graduate credit hour production per FTE faculty member in recent years.

- Full-time and part-time student retention rates outpace both the NCHEMS-selected and FGCU-selected peer sets.
- The University struggles to perform well relative to other institutions in the SUS on its academic progress rate. Across the university, the School of Entrepreneurship faces the most acute challenges with its Academic Progress Rate.
- FGCU’s graduation rates outperformed both the NCHEMS-selected and FGCU-selected peer sets in both 2017 and in 2018, after underperforming in the three previous years.
- Graduation rates at the college/school level reveal that the four-year graduation rates in Education and Health and Human Services are consistently among FGCU’s highest.
- The Lutgert School of Business and the College of Engineering have room to improve their four-year graduation rates.

The following sections provide insights from the analyses, by topic.

Full-Time Equivalent (FTE) Student Enrollment

We begin by looking at trends in the number of full-time equivalent (FTE) students because enrollment is an important indicator of an institution’s financial standing and a major cost driver for running an institution. The following two figures show that FGCU is in a unique position relative to its peers since FGCU has experienced an increase in student enrollment.

Figure 1 FGCU Annual FTE Students, By Level

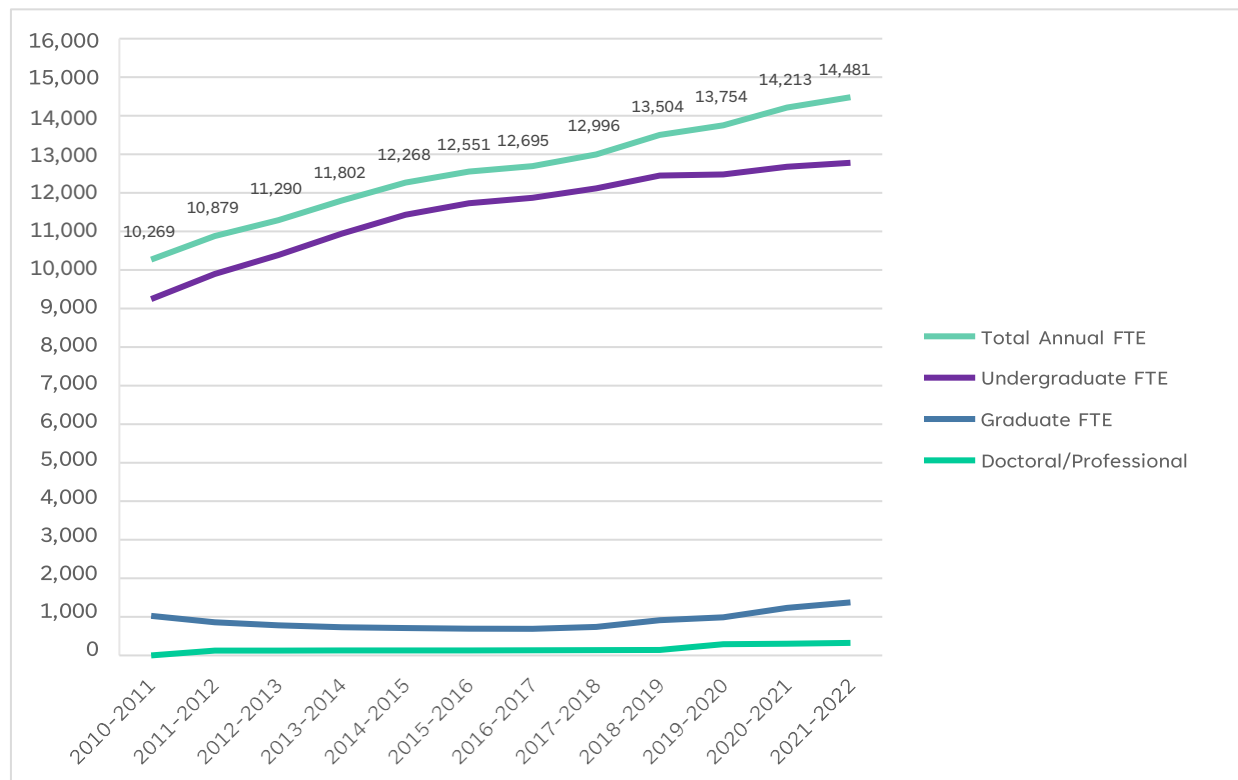
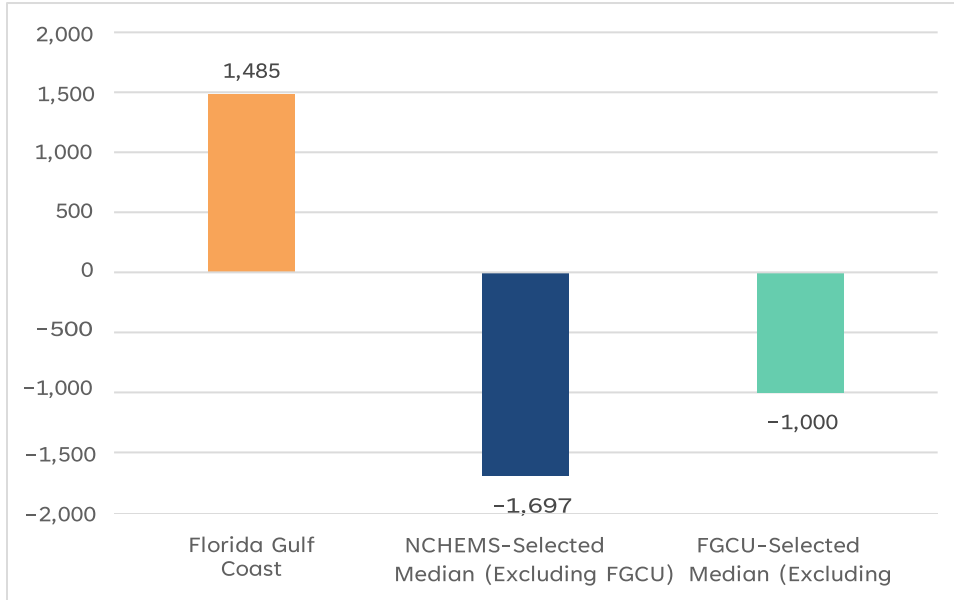


Figure 2 Change in Total FTES, 2021-22 vs. 2017-18

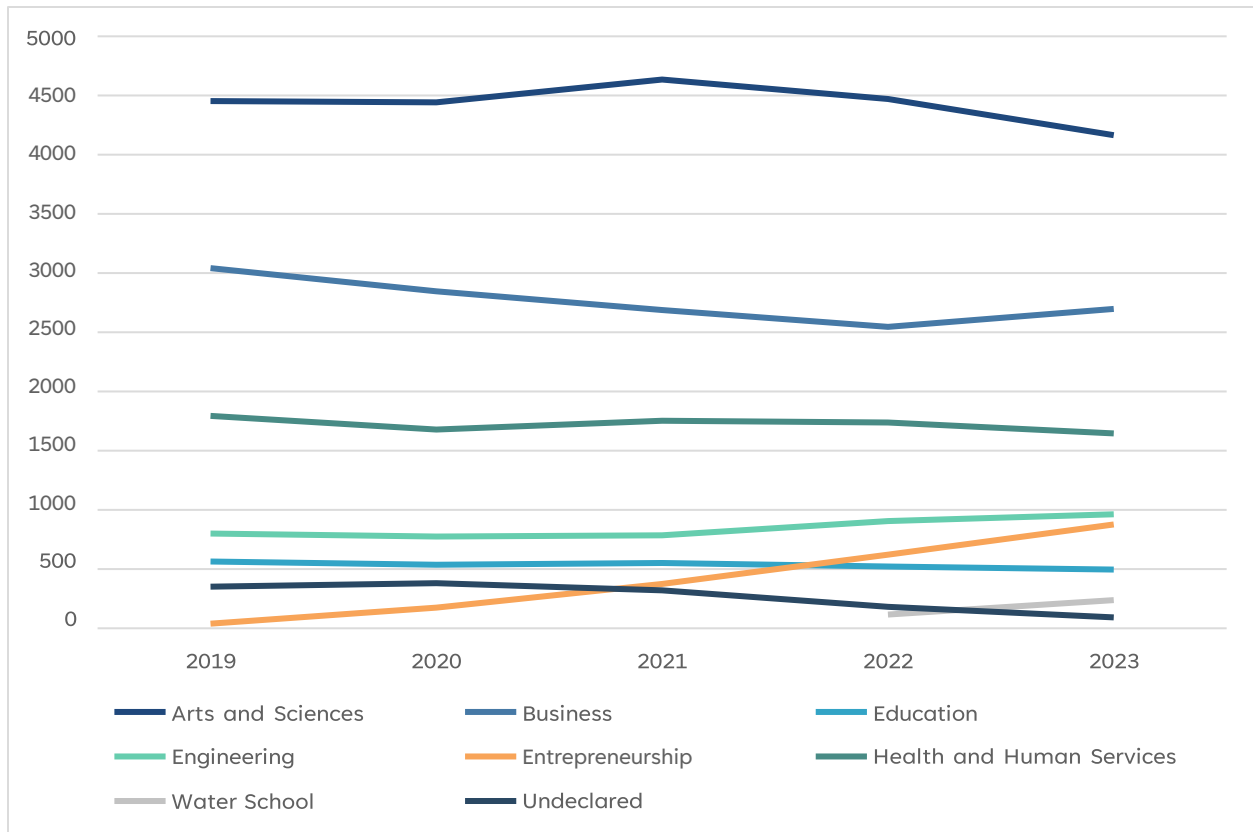


FGCU's enrollment performance is exceptional compared to its peers and other higher education institutions nationally. Many institutions are seeing declines in enrollment due to various factors. FGCU has not only maintained its enrollment in recent years, but also increased it, showing its past success and future growth opportunities.

Student Enrollment by College/School

Within this larger context, NCHEMS analyzed each college or school's enrollment size and scope. Administrative data on full-time and part-time undergraduate student enrollment by college/school indicates that the units serving the largest share of students are Arts and Sciences, Business, and Health and Human Services.

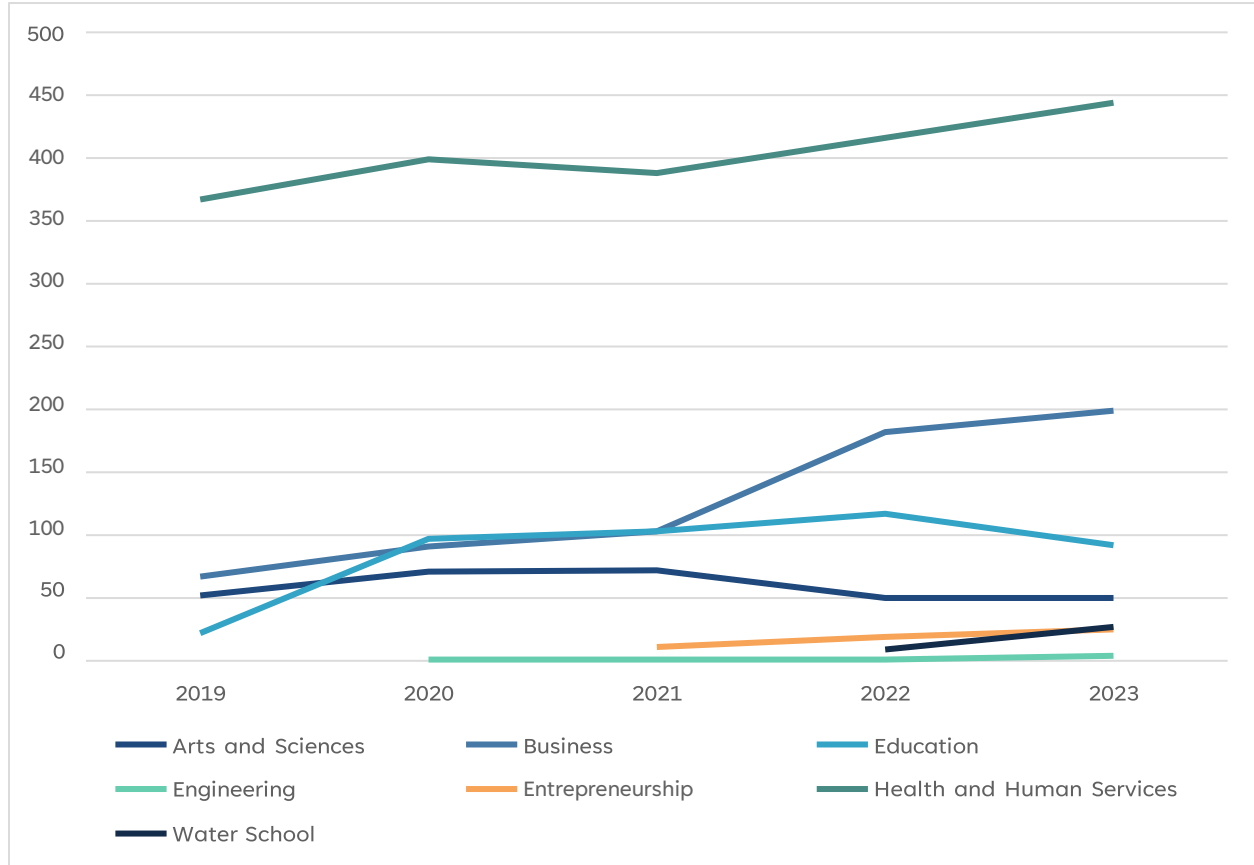
Figure 3 Full-Time Undergraduate Headcount 2019-23



Individual colleges, schools or programs may influence changes in campus-level enrollment. Upon examining the trend in full-time headcount enrollment over the years, the data shows that from 2019 to 2023, the top three schools experienced either stagnation or a slight decline in enrollment. On the other hand, apart from Education, most of the smaller colleges/schools experienced an increase in headcount enrollment over the period, as shown in the figure above. The trend was similar for headcount enrollment of part-time students.

FGCU campus leaders highlighted the importance of considering that the newly established schools may have drawn students away from larger colleges. For example, the School of Entrepreneurship and the Water School offer programs that compete with those of other colleges, such as Business and Arts and Sciences, which could affect their enrollment figures. Conversely, the College of Engineering has few overlapping programs with other colleges, yet it has seen an increase in undergraduate enrollment.

Figure 4 Full-Time Graduate Headcount 2019-23



Health and Human Services enrolls the most full-time graduate students. The trend data also shows that Health and Human Services and Business are experiencing the most growth in full-time graduate headcount enrollment. When reviewing the trend data for part-time graduate students, the trend was similar with Business and Health and Human Services leading FGCU’s enrollment increases.

Increasing graduate enrollment can be a strategic path forward for FGCU, however, the extent to which these increases will improve the institution’s position with the SUS performance funding formula depends on whether the field is identified by the state as an area of strategic emphasis.¹ The Board of Governors defines a new set of graduate programs of strategic emphasis every three years. Currently, the MBA is driving much of the graduate-level enrollment growth within Business, however, it is not currently defined as a strategic area by the SUS. Graduate programs in Accounting have experienced less enrollment growth and are identified as a strategic degree by the SUS.

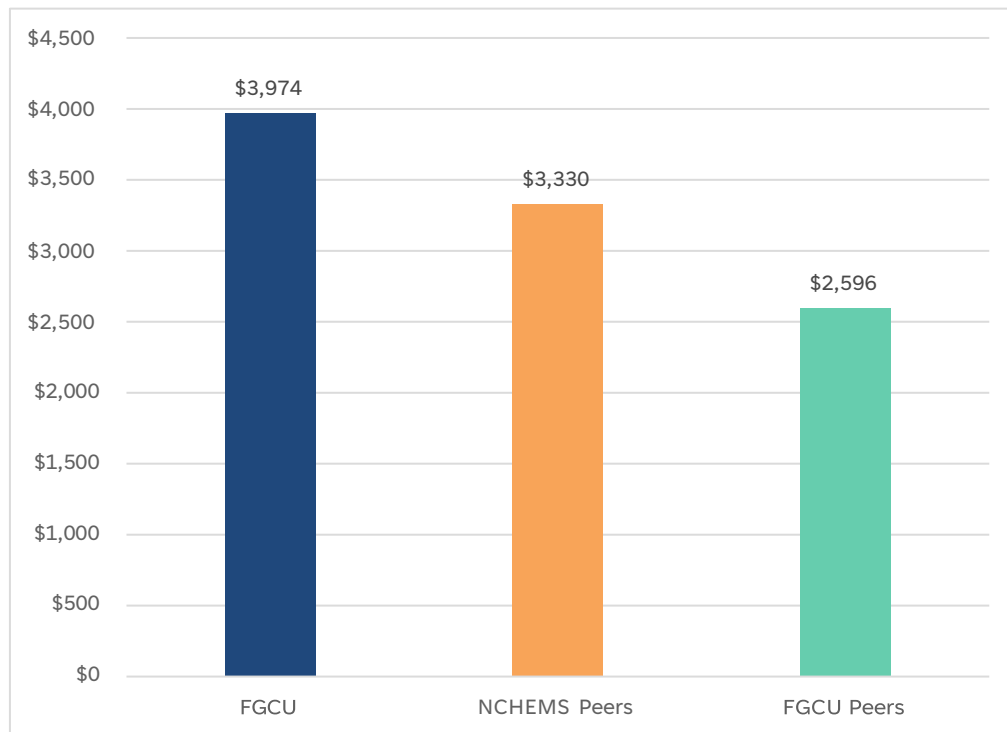
¹ <https://www.filbog.edu/wp-content/uploads/2023/11/PSE-List-11-9-23.pdf>

Expenditures

NCHEMS analyzed data from the IPEDS Instructional Activity, Finance, and Human Resources surveys to determine how FGCU compares to its peers in terms of expenditures and staffing levels in relation to FTE students. These analyses help with identifying areas in which an institution may be over or underinvesting.

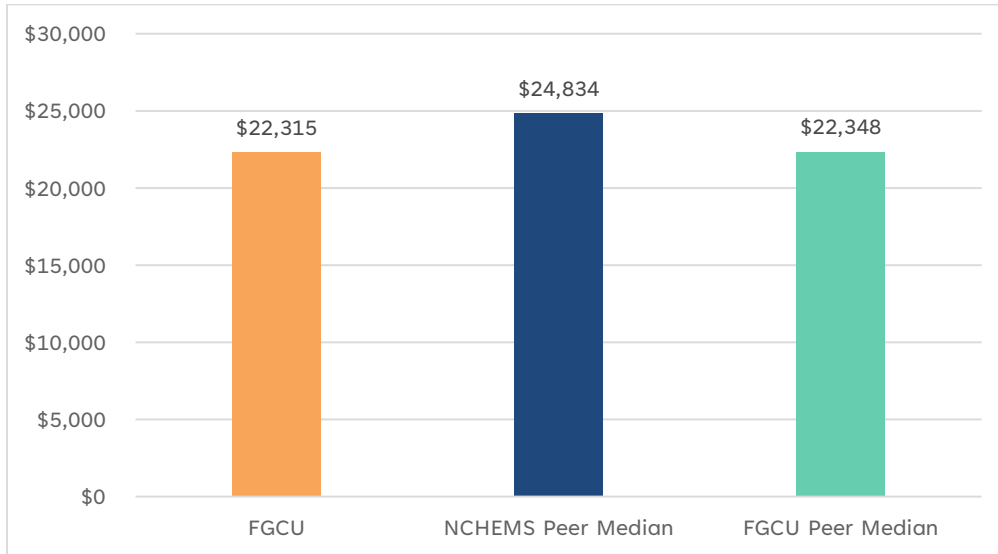
The following figures show that FGCU has had a growth in total expenditure per FTE student. However, the most recent year of expenditure data show that with that growth, FGCU's expenditure per FTE student is higher than that of its peers.

Figure 5 Change in Total Expenditure per FTES, 2021-22 vs. 2017-18



Source: NCES IPEDS Provisional ef2022_d; final release.

Figure 6 Total Expenditure per FTE Student, 2021-22



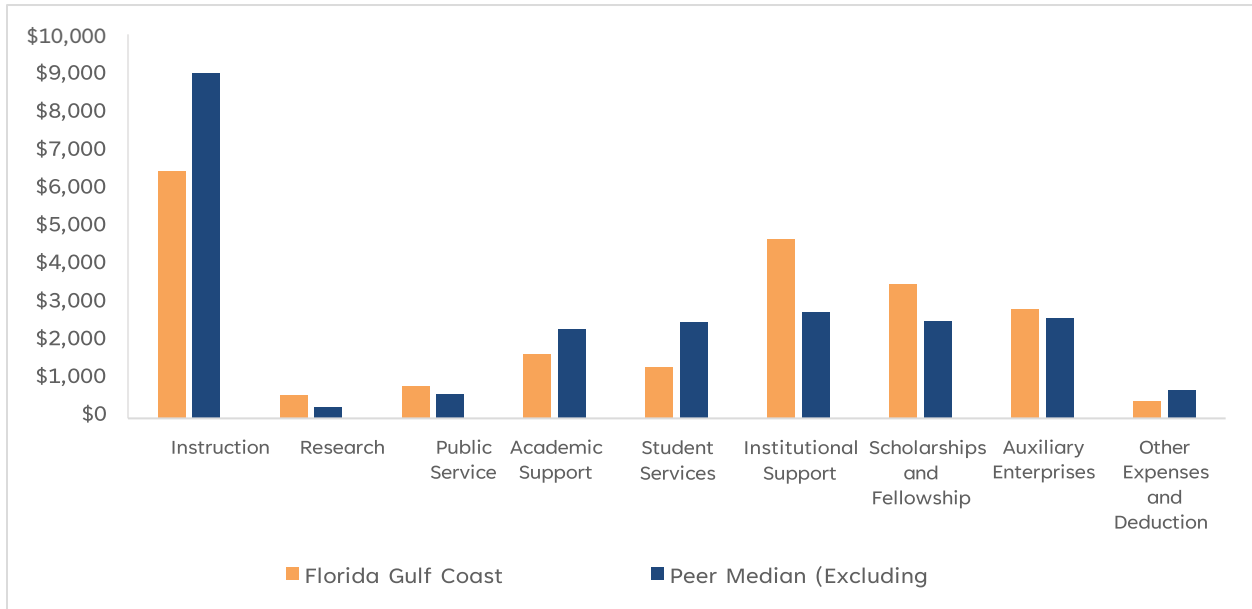
Source: NCES IPEDS Provisional ef2022_d; final release.

In addition to total expenditure, it is important to consider expenditure by functional categories. The following figures show the comparison in expenditures. The comparison is first between NCHEMS and NCHEMS-selected peers, and then between NCHEMS and FGCU-selected peers. We find that the trends are similar between the two peer groups. FGCU's FY 2022 expenditure in the following categories was higher than that of its peer median: Research, Public Service, Institutional Support and Scholarships and Fellowships. These same functional categories had greater growth in expenditures between FY 2022 and FY 2018 than that of FGCU's peers.

Importantly, the receipt of HEERF and CARES Act funding during and after the COVID-19 pandemic complicates analysis of FGCU's expenditure profile and that of its peers. During the pandemic, institutions received extraordinary revenues from the federal government to support students and sustain institutional operations. These revenues were required to be expended in certain ways, which impacts the expenditure reporting that all institutions made to IPEDS in subsequent years. For FGCU, this temporarily increased the amount of money the institution allocated to institutional support and is contributing to the degree to which expenditures in this category do or do not align with the peer institutions.

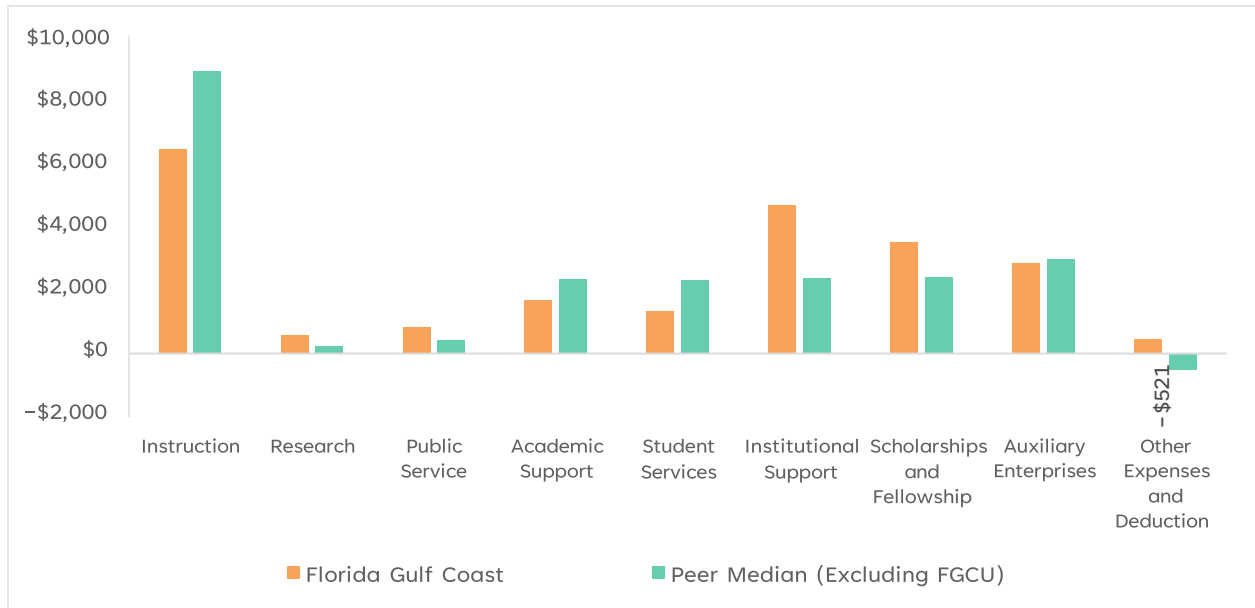
However, these are important functions but should be reviewed to ensure expenditures in these areas do not continue to outpace those of peers. FGCU's much higher expenditures on Institutional Support warrant special attention, especially to determine the extent to which HEERF and CARES Act dollars are impacting the data. On the other hand, FGCU is underinvesting relative to its peers in Instruction, Academic Support, and Student Services — all critical functions for meeting student success goals.

Figure 7 NCHEMS-Selected Peers, Expenditure per FTE Student by Functional Category, 2021-22



Source: NCES IPEDS finance survey fYYYY_f1a.

Figure 8 FGCU-Selected Peers, Expenditure per FTE Student by Functional Category, 2021-22

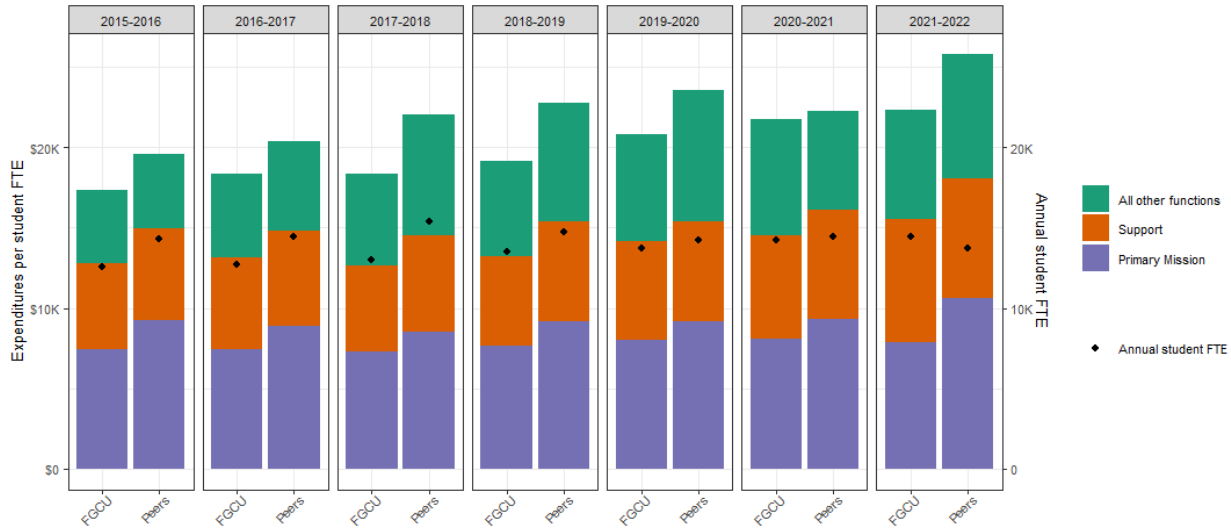


Source: NCES IPEDS finance survey fYYYY_f1a.

Since there may be differences in data reporting practices based on an institution’s organizational structure, we combined functions to reduce the potential influence of those differences. The following figures show total expenditure per FTE student over time by combined functions. The “Primary Mission” category includes instruction, research, and public service expenses. “Support” includes academic support, institutional support, and

student services. “All other functions” include scholarships and fellowships, auxiliary enterprises, and other expenses and deductions. We find that FGCU has spent less on the Primary Mission per FTE than its peers.

Figure 9 NCHEMS-Selected Peers, Expenditure Per FTE Student Over Time, Grouped Functional Classification



Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiYYYY, 2016-2021 final release files; 2022 provisional release. Notes: Primary mission includes instruction, research, and public service expenses. Support includes academic support, institutional support, and student services. All other functions include scholarships and fellowships, auxiliary enterprises, and other expenses and deductions. Functions are combined to eliminate differences in data reporting based on organizational structure.

Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiYYYY, 2016-2021 final release files; 2022 provisional release.

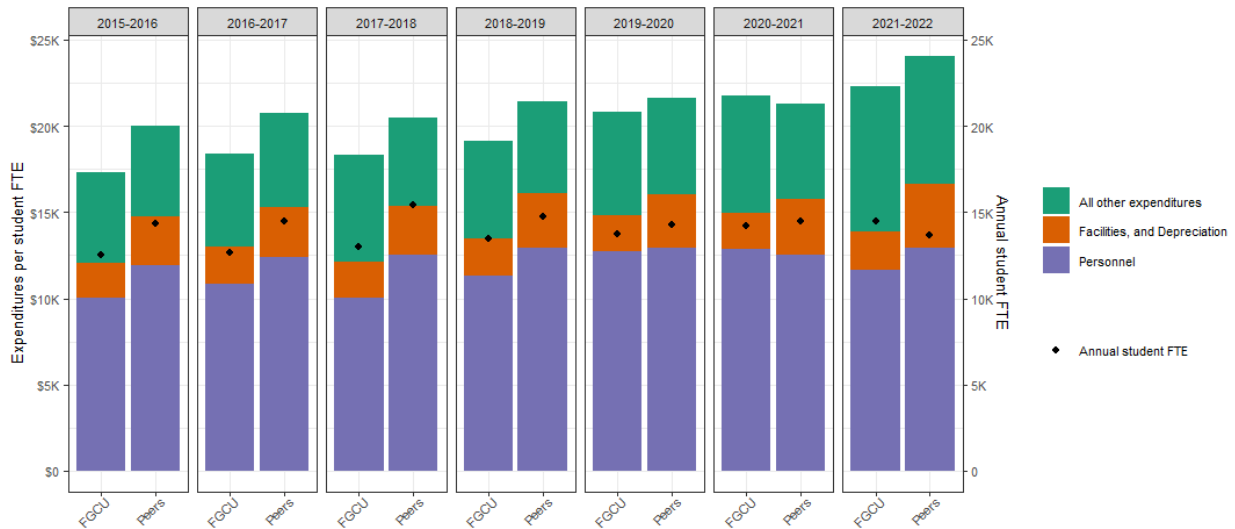
Figure 10 FGCU-Selected Peers, Expenditure Per FTES Over Time, Grouped Functional Classification



Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efaYYYY, 2016-2021 final release files; 2022 provisional release. Notes: Primary Mission includes instruction, research, and public service expenses. Support includes academic support, institutional support, and student services. All other functions include scholarships and fellowships, auxiliary enterprises, and other expenses and deductions. Functions are combined to eliminate differences in data reporting based on organizational structure.

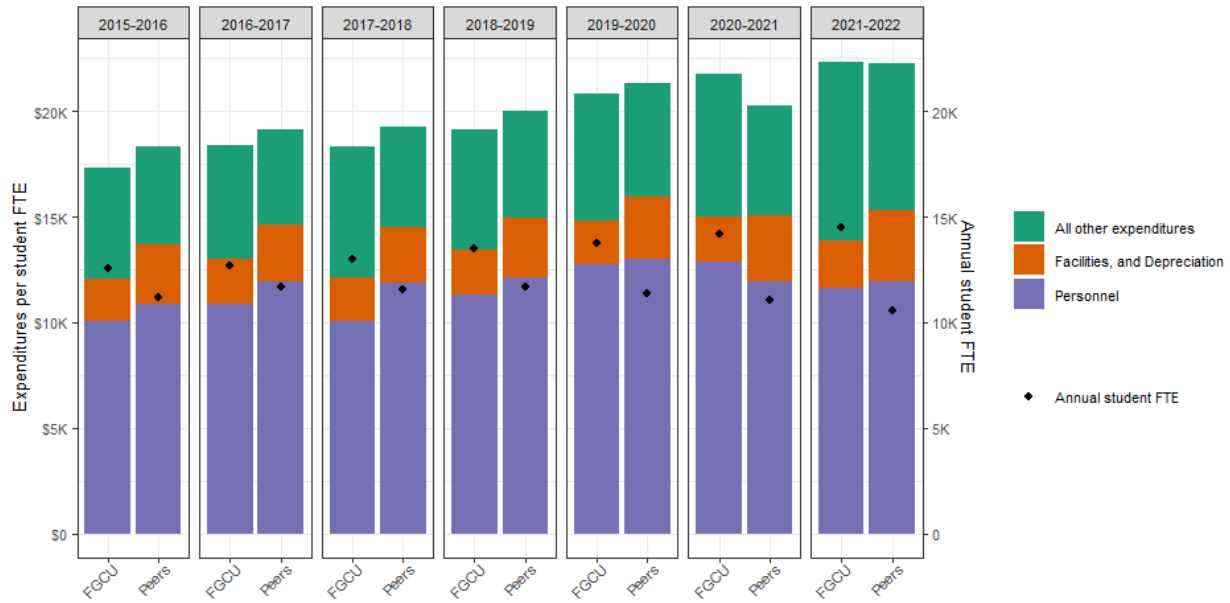
We also analyzed expenditures grouped by natural classification. FGCU and its peers spent the most on personnel. For most of the fiscal years observed FGCU spent less on personnel per FTE student than its peers.

Figure 11 NCHEMS-Selected Peers, Expenditure Per FTES Over Time, Grouped Natural Classification



Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efaYYYY, 2016-2021 final release files; 2022 provisional release. Notes: Personnel includes salaries, wages and benefits. Facilities and depreciation includes operations and maintenance of plant and depreciation. All other expenditures include interest and other expenses/deductions. Natural classifications are combined to eliminate differences in data reporting based on organizational structure.

Figure 12 FGCU-Selected Peers, Expenditure Per FTES Over Time, Grouped Natural Classification



Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efaYYYY, 2016-2021 final release files; 2022 provisional release. Notes: Personnel includes salaries, wages and benefits. Facilities and depreciation includes operations and maintenance of plant and depreciation. All other expenditures include interest and other expenses/deductions. Natural classifications are combined to eliminate differences in data reporting based on organizational structure.

Instructional Expenditures

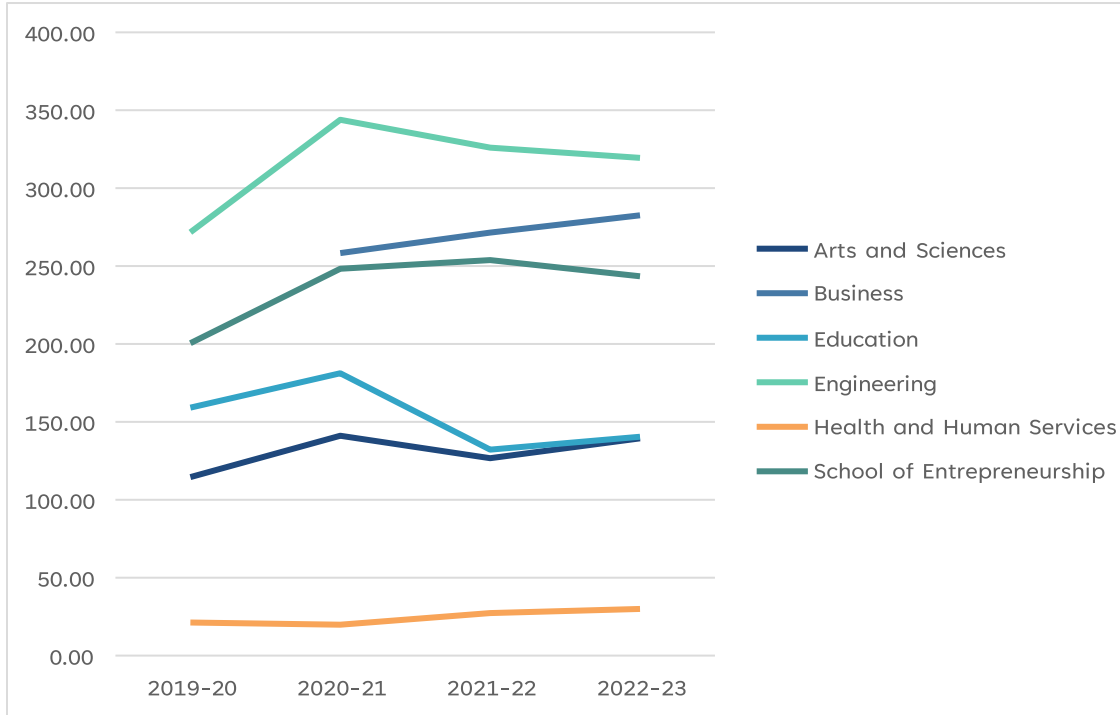
We continued our analysis of the individual colleges and schools by examining instructional expenditures per student credit hour. This measure offers insight into how much the academic unit spends on each credit hour. The data used for this metric was supplied by the VP of Administration and the Office of Institutional Research.

Table 1 2023 Instructional Expenditures per Student Credit Hour

Academic Unit	Total
Arts and Sciences	\$139.45
Business	\$282.57
Education	\$140.42
Engineering	\$319.47
Health and Human Services	\$29.95*
School of Entrepreneurship	\$243.46

*The calculation for Health and Human Services (HHS) is much lower than expected. The main reason may be that HHS uses a large proportion of grant and external revenues to fund instruction.

Figure 13 2019-23 Instructional Expenditures Per Student Credit Hour by Academic Unit



Note: No revenue data was available for the College of Business in 2019-20.

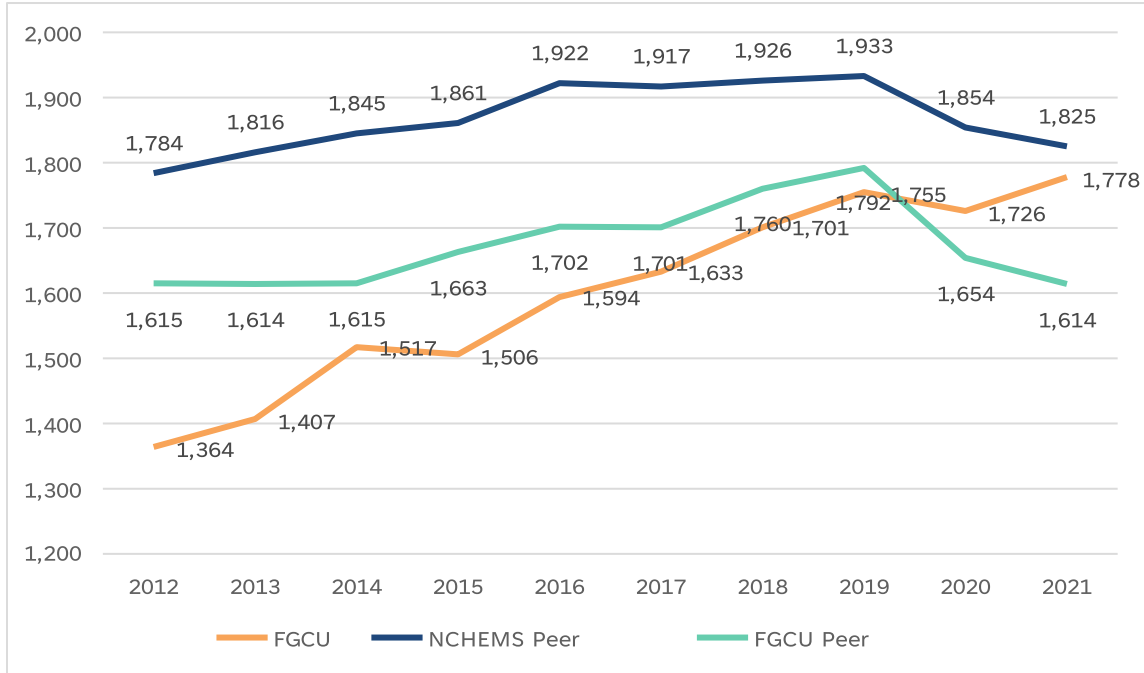
The expenditures by academic unit indicate differences by college, with the College of Engineering spending the most per credit hour. For most academic units, the variation in instructional expenditures is typical of the costs associated with the respective unit disciplines.

What differs from most institutions is that instructional expenditures for the College of Health and Human Services are the lowest. This finding seems odd since health education is typically associated with higher costs. Based on the feedback provided by some FGCU leaders, the College of Health and Human Services receives generous funding from sources outside of state educational and general funds. Another observation from the data is that when observing changes in instructional expenditures per credit hour from the period of 2019-23, we see that expenditures trended upward before the pandemic and, except for the College of Business, have remained relatively stable after the pandemic. Instructional expenditure data was not provided for the Water School for the full period or the College of Business in 2019-20.

Faculty and Staffing Trends

We looked at staffing more broadly and analyzed IPEDS data on a number of employees. The following figure shows the total number of employees over the last 10 years of available data and that in every year observed, FGCU has had more employees than its peers.

Figure 14 Total Employees, 2012-21

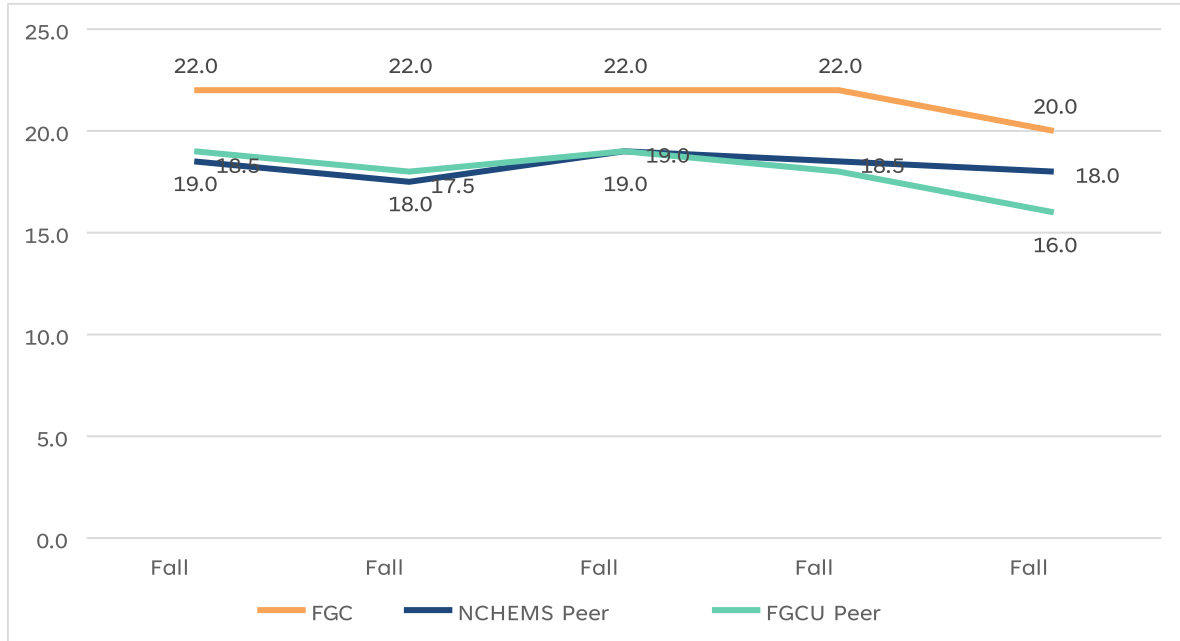


Source: Final release eapYYYY IPEDS files.

We also analyzed data on student-to-faculty ratio. Student-to-faculty ratio is defined as total FTE students (not in graduate or professional programs) divided by the total FTE instructional staff (not teaching in graduate or professional programs). The most recent IPEDS data on student-to-faculty ratio is fall 2022.

FGCU has consistently had a higher student-to-faculty ratio than its peers. It is commendable that FGCU has outperformed its peers in recent years in retention and graduation rates despite having more FTE students per FTE instructional staff.

Figure 15 Student-to-Faculty Ratio, Fall 2018 to Fall 2022



Source: Provisional ef2022_d; final release 2018-21.

Student Credit Hours Taught by Faculty FTE

To understand credit hour activity at the college/school level, we used the measure of student credit hours taught per full-time faculty member in the 2022-23 academic year and over time. This metric includes both full and part-time instructional faculty. It provides insight into faculty workload by each academic unit.

In the 2022-23 academic year, the College of Arts and Sciences led in total hours instructed and was the top producer of lower and upper division undergraduate student credit hours. It was the only unit that instructed a significant proportion of its student credit hours at the lower division level than at any other level. Other academic units such as Health and Human Services and Business taught most of their credit hours at the undergraduate upper division and graduate level. The Water School taught fewer credit hours at the undergraduate upper division level compared to the other schools, which is an interesting outcome.

Table 2 2022-23 Student Credit Hours Taught by Academic Unit

	Undergraduate Lower Division	Undergraduate Upper Division	Graduate	Total	FTE Faculty
Arts and Sciences	149394	89944	2198	241536	743.2
Business	17091	38790	10356	66237	186.6
Education	4685	9371	8131	22187	99.2
Engineering	3030	11692	120	14842	49.6
Health and Human	6761	25971	14505	47237	205.5
Entrepreneurship	3033	10588	450	14071	40.5
Water School	4442	4975	498	9915	37.6

Table 3 2023 Student Credit Hours Taught by Instructional Faculty FTE

Student Credit Hours Produced by Faculty FTE	Undergraduate Lower Division SCH	Undergraduate Upper Division SCH	Total Undergraduate SCH	Total Graduate SCH	Total SCH/FTE
Arts and Sciences	317.43	191.11	508.54	2.96	325.00
Business	126.45	287.00	413.45	55.48	354.88
Education	83.07	166.16	249.23	81.93	223.55
Engineering	75.87	292.75	368.61	2.42	299.19
Health and Human	52.05	199.93	251.98	70.60	229.91
Entrepreneurship	102.26	356.99	459.25	11.12	347.60
Water School	143.87	161.13	305.00	13.24	263.58

Figure 16 2019-23 Undergraduate Student Credit Hour Taught per Instructional FTE

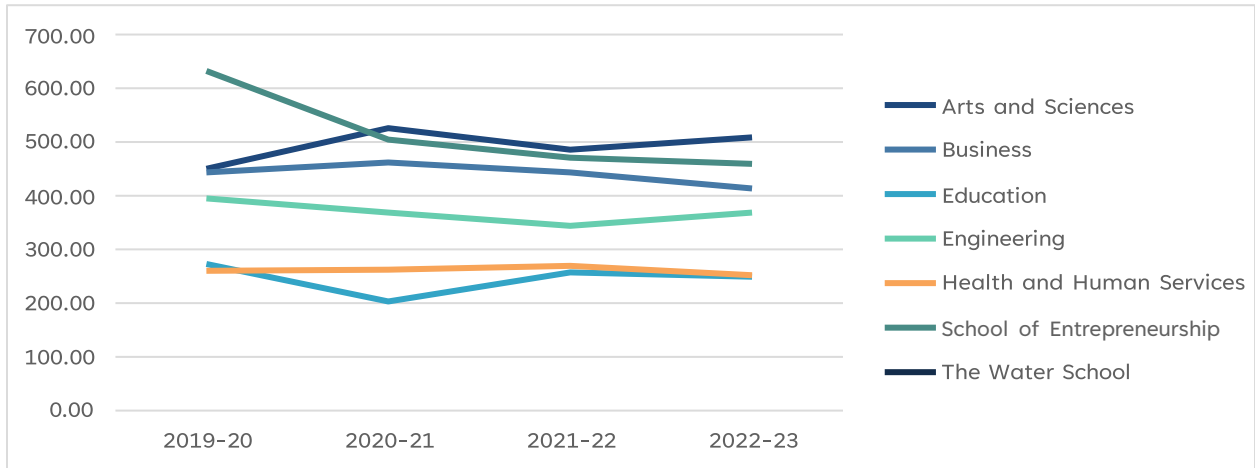
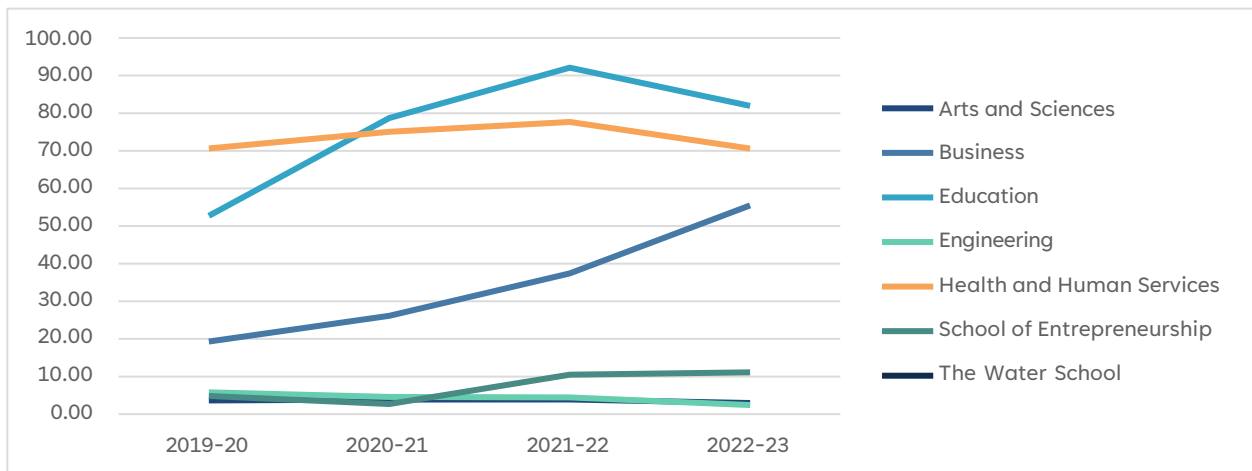


Figure 17 2019-23 Graduate Student Credit Hour Taught per Instructional FTE



Analysis of University-Wide Performance Funding Metrics

In addition to meeting strategic plan goals, FGCU must also improve on the SUS performance funding metrics. Not only do the metrics matter for state funding, but they also are evaluation components of the FGCU strategic plan. FGCU has excelled on the following metrics over the past several years:

- Metric 1: Percent of bachelor’s graduates employed (earning \$40,000) and/or continuing their education (one year after graduation).
- Metric 2: Median wages of bachelor’s graduates employed full-time one year after graduation.
- Metric 3: Net tuition and fees per 120 credit hours.
- Metric 6: Bachelor’s degrees awarded in areas of strategic emphasis.

These specific performance metrics indicate the tremendous value of an FGCU education. Not only are FGCU graduates successful in the labor market, but they receive their education at a relatively low cost. Despite achieving superior performance on certain metrics, FGCU has faced challenges in improving on the following metrics:

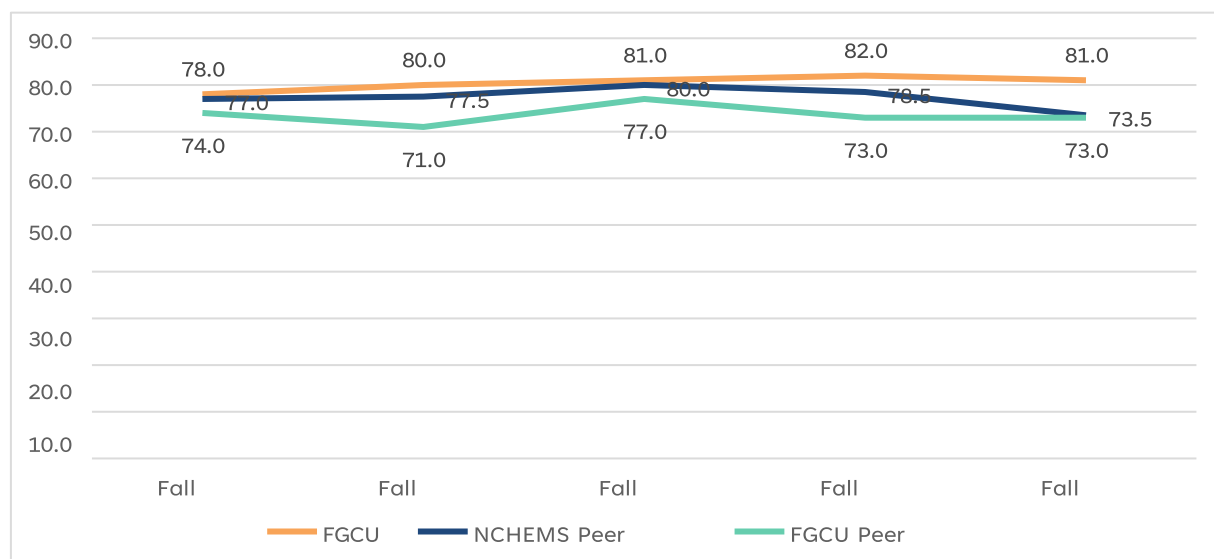
- Metric 4: Four-year graduation rates for full-time first-time students.
- Metric 5: Academic progress rate.
- Metric 9.a: Three-year graduation rate for FCS Associate in Arts transfer students.
- Metric 9.b: Six-year graduation rate for students who are awarded a Pell Grant in their first year.

In the sections to follow, we explore retention and graduation rates compared to peer institutions and also as measured by the SUS performance funding formula. Overall, FGCU performs well relative to its peers, however, the institution has struggled to demonstrate gains when compared against the other SUS institutions. We also present a composite measure of how FGCU fares across the incentivized metrics in the SUS performance funding formula.

Retention

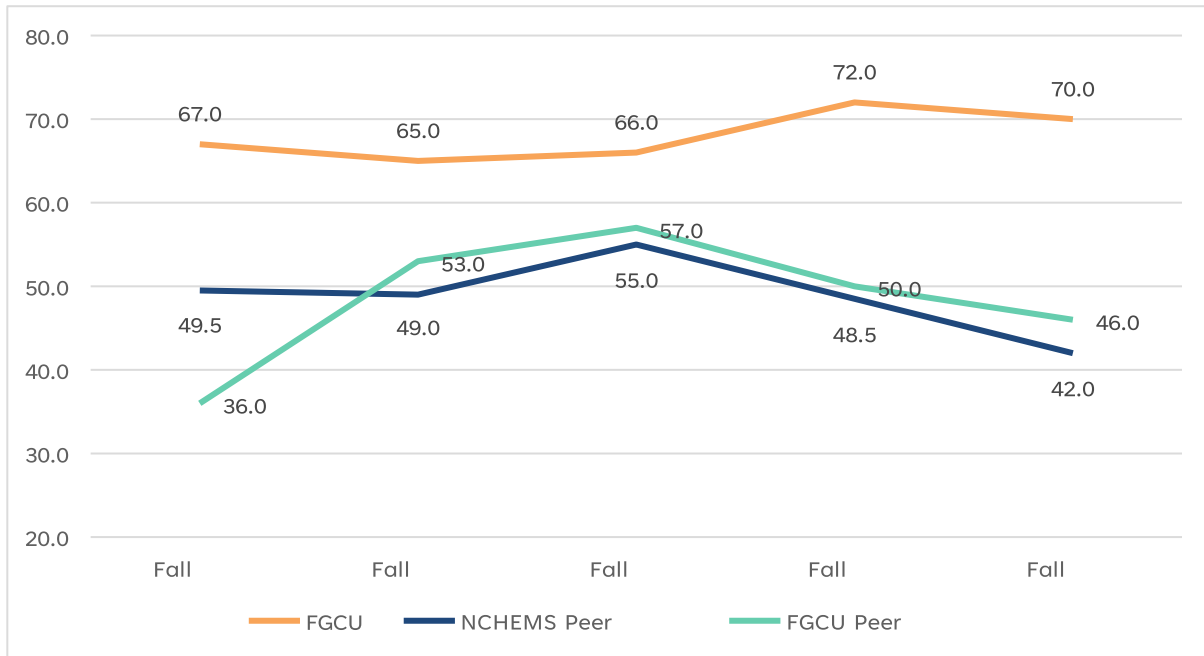
The IPEDS first-year retention rate data measures the percentage of students enrolling for the first time in a postsecondary institution who had persisted in or completed an educational program a year later. These publicly available data are most like Performance-Based Funding (PBF) Metric 5: Academic Progress Rate (2nd Year Retention with GPA Above 2.0) that are available for FGCU and its peer institutions. The most recent data is for fall 2022, so it provides information about students who began in fall 2021 and persisted to fall 2022. FGCU’s student retention rates outpace that of peers, especially for part-time students.

Figure 18 Full-Time Retention Rate Fall 2018 - Fall 2022



Source: NCES IPEDS Provisional ef2022_d; final release 2018-21.

Figure 19 Part-Time Retention Rate Fall 2018 - Fall 2022

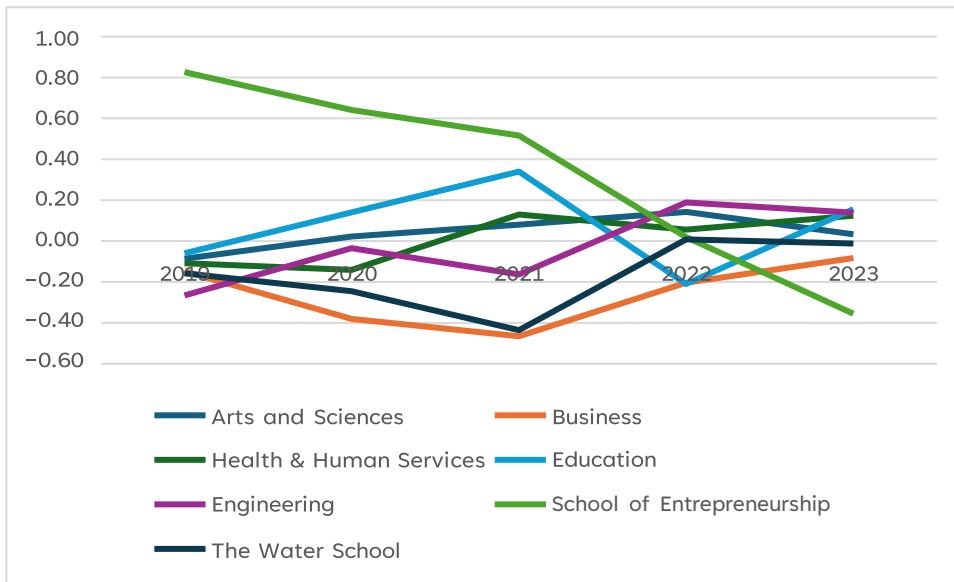


Source: NCES IPEDS Provisional ef2022_d; final release 2018-21.

FGCU has been performing well compared to its peers, but it has been facing challenges in improving its retention rates. To learn more about each campus or school's performance on Metric 5, the Academic Progress Rate, a standardized score was calculated for each college. This score represents each unit's performance in terms of standard deviations away from a group mean of zero. The calculation excludes undeclared students.

The normalized results for Metric 5: Academic Progress Rate indicate that most colleges performed at or around the mean from 2019 to 2023. Furthermore, no college or school has really had a notable improvement trend on this metric. The only academic unit of concern is Entrepreneurship which experienced a steady decline during the period and is the lowest performing in 2023.

Figure 20 2019–23 PBF Metric 5: Academic Progress Rate

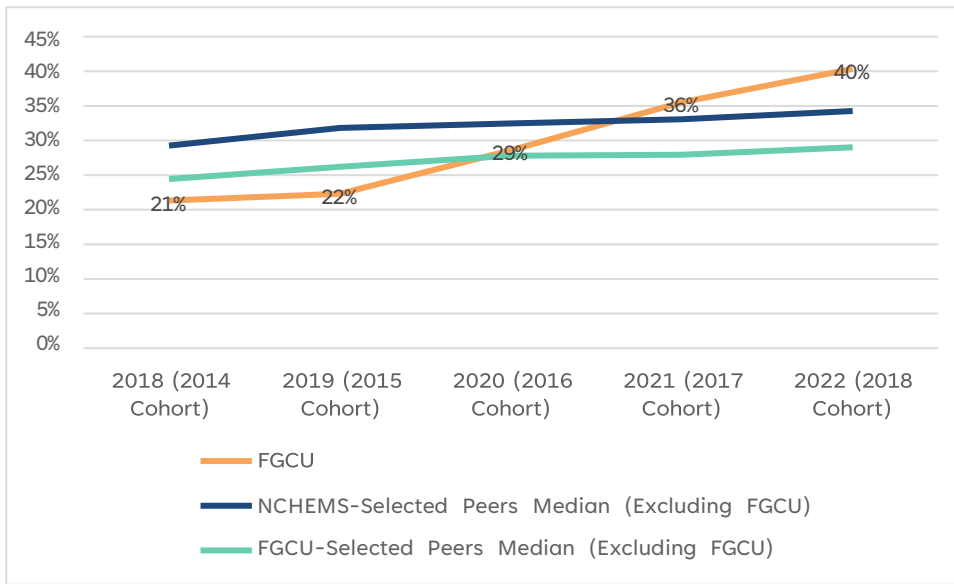


Graduation Rates

Metric 4 of the PBF model is Four-Year Graduation Rate of Full-Time, First Time in College Students. FGCU’s 2024 score on this metric was 42.3% and the goal set for this metric in the 2024- 29 strategic plan is greater than 52%. We analyzed the five most recent files of IPEDS graduation rate data to get a sense of how peer institutions are performing on the most similar metric for which data are publicly available. The following figures are based on completers of bachelor’s or equivalent degrees in four years or less for the adjusted cohort (revised cohort minus exclusions) of full-time, first-time degree/certificate-seeking undergraduates. FGCU outperformed its peers with the 2017 and 2018 cohorts after underperforming with the three previous cohorts. However, FGCU is compared to other institutions in the SUS system in the performance funding model and will need to continue making significant improvements on the four-year graduation metric.

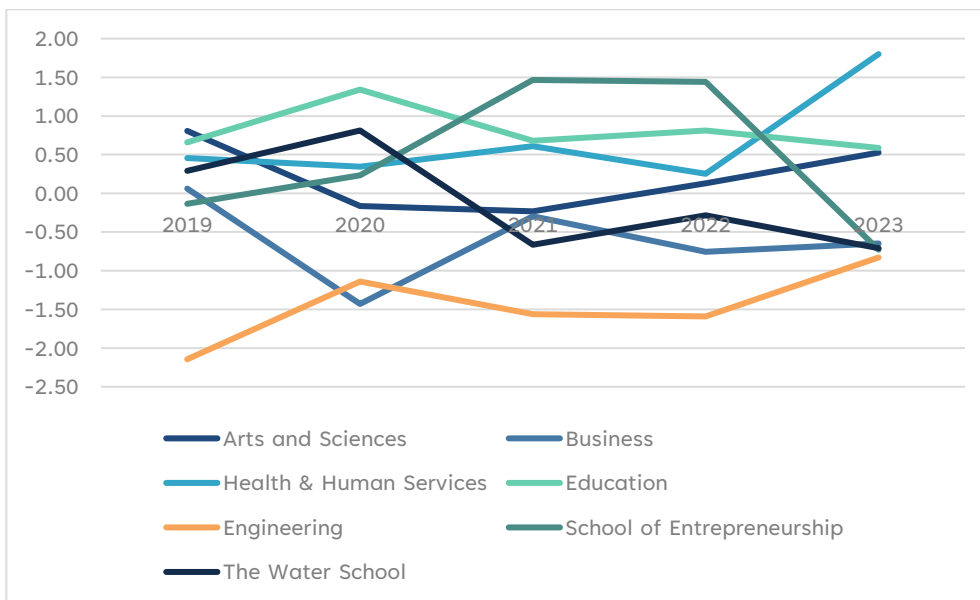
A review of college/school level performance indicates variations by unit. Education and Health and Human Services have consistently performed above the mean, while Business and Engineering have consistently performed below the mean from 2019-23.

Figure 21 Four-Year Graduation Rate, 2018–22



Source: NCES IPEDS gr2022 Provisional Release Data File; Final Release 2018-21.

Figure 22 2019–23 PBF Measure 4: Four-Year Graduation Rate (FTFT and Last Program Declared)



Performance-Based Funding Index

FGCU’s improvement on the Florida performance metrics is an important part of the strategic plan. To help provide an alternative perspective on ways to improve, a composite index of performance metrics helps FGCU leaders understand the contributions of each academic unit to the overall campus average. Although a composite index at the college/school level offers limited information, it can still be useful in informing strategy and the allocation of student success resources.

NCHEMS created two performance metric indices. The first index, retention, graduation, and access, includes three metrics that are areas for improvement based on past PBF performance and strategic plan priorities. These include:

- Metric 4: Four-year graduation rate (First-time college student).
- Metric 5: Academic Progress Rate (Second year retention with GPA above 2.0).
- Metric 7: University access rate (Percent of undergraduates with a Pell grant).

The second index, retention, and graduation, includes two performance metrics identified as areas of interest by the institution. These include:

- Metric 4: Four-year graduation rate (First-time college student).
- Metric 5: Academic Progress Rate (Second year retention with GPA above 2.0).

The indices use metrics that reflect important student success and access areas. The FGCU institutional research office provided all measures included in this metric.

Using the performance metric data by year for each college, we standardized the measure to zero for easier presentation. A standardized score is calculated for each college and represents unit performance in terms of standard deviations away from the mean overall group performance.

Next, for each composite index the relevant standardized metrics are added together and then divided by the subsequent number of metrics included in the composite.

The two measures reveal variations in the functioning and capacity of each college/school. NCHEMS analysis of the metrics revealed the following:

- Retention, Graduation and Access Index (Metrics 4,5 and 7)
 - The Colleges of Health and Human Services (HHS) and Arts and Sciences (A&S) are performing well on performance metrics compared to the other colleges and schools.
 - The College of Business did not perform so well on the composite metric during the period of interest (2019-23). FGCU leaders may need to investigate the underlying reasons for the performance.
- Retention and Graduation Index (Metrics 4 and 5)
 - The HHS and Education colleges are performing relatively well on performance metrics.
 - The Colleges of Engineering and Business underperform the campus mean. However, both colleges have shown some improvement over time.

Figure 23 2022-23 Retention, Graduation and Access Index – Academic Progress Rate, Four-Year Graduation Rate and Percent of Pell

Performance Index	Score
Arts and Sciences	0.48
Business	-0.60
Health & Human Services	0.94
Education	0.33
Engineering	0.02
School of Entrepreneurship	-0.60
The Water School	-0.24
Above FGCU Academic Units	0

Figure 24 2019-23 Retention, Graduation and Access Index – Focus on Arts and Sciences, Education and Health and Human Services Performance

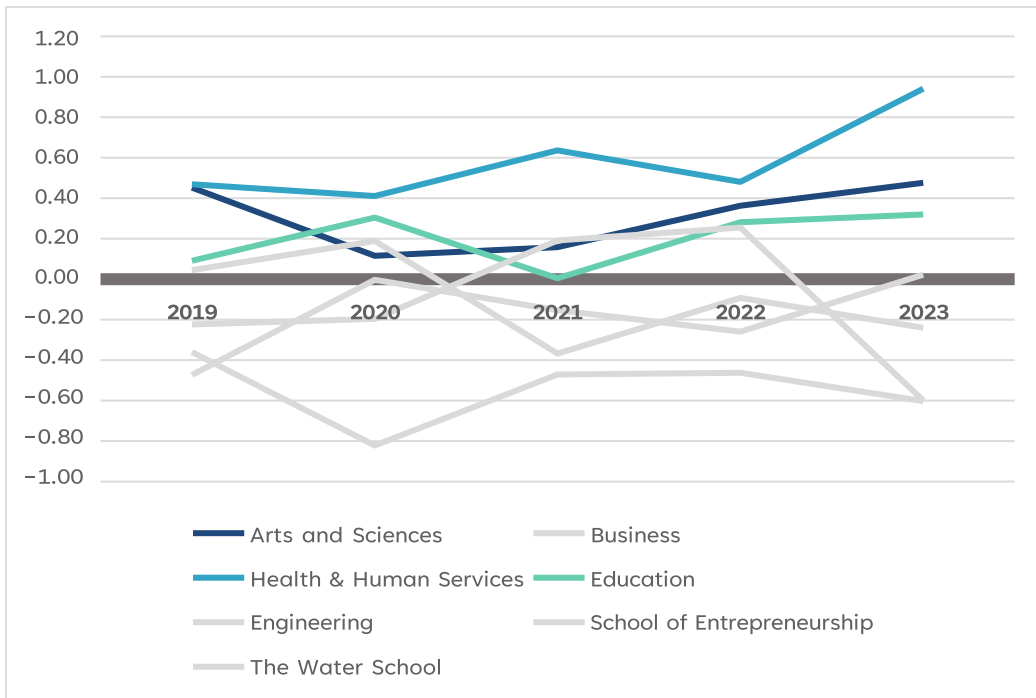


Figure 25 2019-23 Retention, Graduation and Access Index – Focus on Business and Engineering Performance

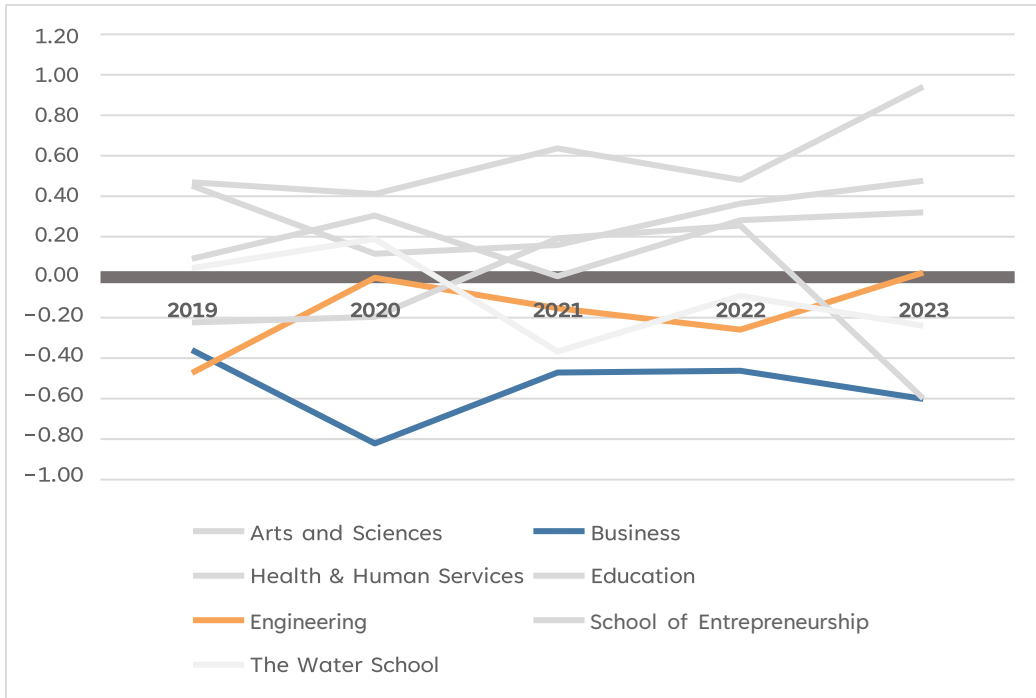


Figure 26 2022-23 Retention and Graduation Index – Academic Progress Rate and Four-Year Graduation Rate

Performance Index	Score
Arts and Sciences	0.28
Business	-0.37
Health & Human Services	0.96
Education	0.37
Engineering	-0.35
School of Entrepreneurship	-0.54
The Water School	-0.36
Above FGCU Academic Units	0

Figure 27 2019-23 Retention and Graduation Index – Focus on Education and Health and Human Services Performance

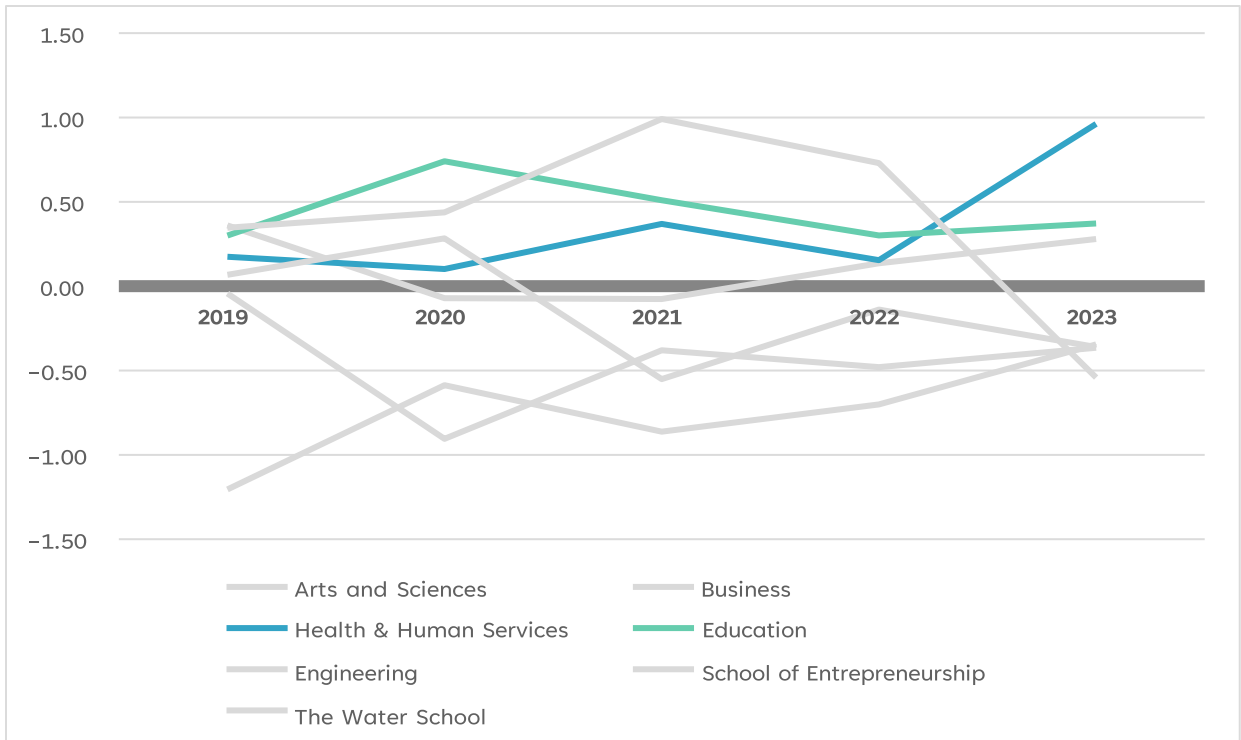
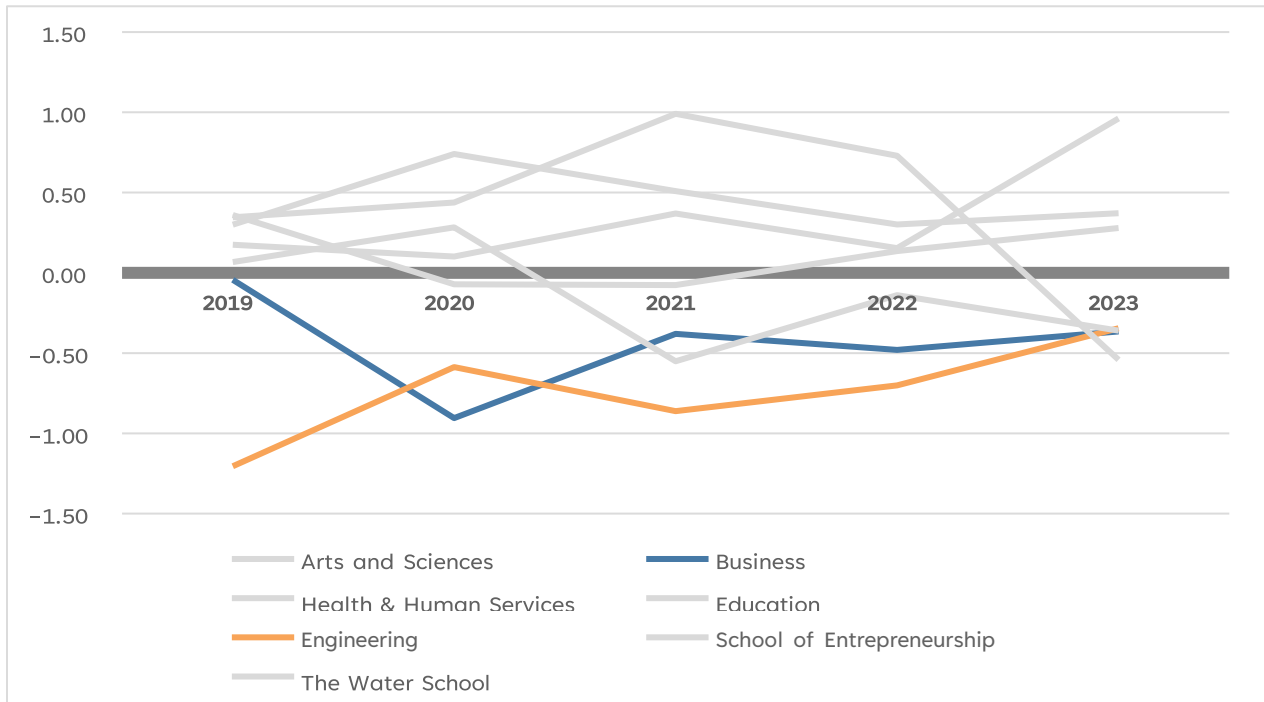


Figure 28 2019-23 Retention and Graduation Index – Focus on Business and Engineering Performance



Opportunities and Recommendations

The preceding sections have contextualized FGCU with its peers in expenditures and staffing. They also analyzed the colleges and schools within FGCU against the incentives present in the SUS funding formula. Together with the stakeholder engagement activities conducted on campus and virtually by the NCHEMS team, we have developed a set of medium- and long-term recommendations that will ideally bring FGCU closer to its own strategic goals and those present within the SUS formula. These recommendations are rooted in the evidence and focused on strategically (re)aligning functions across the university.

Recommendation 1: Tighten Connections Between Student Success and Enrollment Management (SSEM) and Academic Affairs

In 2018, a group of campus stakeholders undertook a collaborative process to, “examine, assess, consider, and recommend innovative and bold initiatives that would better position Florida Gulf Coast University in ... improving student retention and four-year graduation rates.”² The result of this work was the creation of SSEM, which was originally designed to consolidate three areas — Academic Engagement, Student Engagement and Enrollment Management — into one unit represented by one cabinet-level role with structured accountability to the President. In practice, however, the full campus community encountered practical difficulties with implementing this new structure. In conversations with NCHEMS, faculty and staff shared that mixing a centralized approach to advising, career development and academic supports in an institution that otherwise maintains a relatively decentralized academic departmental structure posed significant challenges.

To be clear, FGCU students should have a predictably high-quality experience with advising and other student success services, regardless of the college or school in which they are enrolled or their specific major. No matter which unit is responsible for these functions, they will need ongoing support to do this well. However, consolidating the functions out of the colleges and schools themselves has not produced the intended outcomes, at least in the last five years that the model has been in place.

NCHEMS therefore recommends that FGCU undertake an effort to realign and refocus the work of SSEM. These efforts should aim toward ensuring that the colleges, schools, and individual units are all more directly tied to student success functions such as advising, career development, and academic support. Specifically, we recommend that the functions of the Academic Engagement unit of SSEM be relocated to the Academic Affairs division.

At the same time, Academic Affairs will need to be adequately supported to take on these functions and execute them well. Under the SSEM structure, significant steps were taken to professionalize the role of FGCU’s academic advisors. For example, the work of advisors is now more directly influenced by state policy, and FGCU’s advisors are trained to understand and comply with these requirements. Additionally, advisors are now more

² SS-EM Action Task Force Report, p. 15.

likely to have professional training in student success, persistence, and completion, as opposed to previous models where faculty members also served as undergraduate advisors. Advisors also play a key part in the successful rollout of the university's emerging early alert system. Put simply, relocating SSEM's Academic Engagement functions to Academic Affairs should not be an opportunity for Academic Affairs to redefine the work of FGCU's advisors. Rather, this change is a functional realignment intended to tighten the connection between the colleges, schools and departments, and the pivotal role that academic advisors play in ensuring student persistence and completion, especially for students who have a declared major.

Recommendation 2: Target Supports to Students Enrolled in the Lutgert College of Business and the School of Entrepreneurship

While all colleges and schools can act to improve persistence and completion rates for FGCU students, the largest gains can be had by better supporting students in the Lutgert College of Business and the School of Entrepreneurship.

In the short term, we recommend that the campus focus attention on better understanding the reasons for unusually low completion rates in Business and Entrepreneurship. This analysis should focus on the following questions:

1. Are there key points in the curriculum where students are most or least likely to gain momentum towards completion? Conversely, are there key points where students face particular challenges?
2. Are there particular courses where students struggle most?
3. What are the characteristics of students leaving the program, and how might that inform strategies to provide support? These characteristics might include Pell grant recipients, students by their high school GPA, students by residency status, transfer students, athletes, or other key student populations.
4. Many FGCU students work while completing their studies; is this particularly true in these programs? Do work obligations impact student persistence and completion?
5. Are students beginning their studies in these programs at FGCU, but transferring to other institutions to complete?

As the institution acts to realign advising functions, we advise paying particular attention to Business and Entrepreneurship. Students should experience continuity of high-quality service. Specific care should be taken to support the advising and academic affairs staff in forming a productive, student-focused team as quickly as possible.

Recommendation 3: Explore Administrative Realignments that Hold Potential for Containing Costs

No postsecondary institution is exempt from striking an appropriate balance between the roles and responsibilities of individual programs, schools and colleges, and centralized administration. Generally, smaller institutions' functions are more decentralized; flexibility holds a higher value than duplication of functions. In larger universities, a decentralized model is much more difficult — if not impossible — to maintain. Indeed, in larger

universities, the risk of increased costs, inefficiency and confusion for students is much more likely to outweigh the benefits that flexibility affords individual units.

As the enrollment trend analysis in this report depicts, FGCU's growth has been sustained over a relatively long period of time, bucking national enrollment trends. With this growth, the university must continually and intentionally renegotiate its approach to centralization. Failure to do so has implications for the institution's administrative costs.

In our work with FGCU, NCHEMS learned of several efforts already underway to align administrative functions through the Business Hub. The Business Hub is an effort to centralize budgeting across four colleges and schools within FGCU. We heard from people across campus that the work of the Business Hub is still nascent and experimental, and while implementation challenges exist, overall, budgeting at the campus level is becoming more consistent and predictable. The transition from decentralized to centralized budgeting functions will take time, and continuous improvements to process and approach will be needed to ensure success. However, continuing to manage this transition and reaching a workable final state will be a key step for FGCU to obtain a more timely, global view on budgeting, and, in the end, has the potential to create administrative efficiency.

We recommend that FGCU examine its administrative spending broadly, but particularly, in the following areas. Consider:

1. As SSEM is functionally realigned, are there opportunities to reevaluate how institutional resources are allocated to administering its functions?
2. As the institution focuses support on the Lutgert College of Business and the School of Entrepreneurship, it may also focus on strengthening relationships between the two schools. For example, are there administrative efficiencies that may be realized between two units with adjacent academic content? Several options, such as joint administrative or faculty appointments, could reduce potentially duplicative costs.
3. FGCU has taken several steps towards shared service consolidation within Administrative Services, including increased departmental support on budgeting functions through the Business Hub. Administrative Services should continue to identify potential redundancies across campus units and provide solutions that provide efficient and effective common solutions.

We also recommend that the institution reviews its unit-level budgeting processes. Specifically, the university should undergo a process to review staff vacancies and resource allocation.

Department-level budgets should be reflective of their current needs, and resource decisions should be made in an informed way that specifically addresses those needs. We, therefore, recommend that Administrative Services undergo a review of vacant positions on campus and work with leadership and other campus units to determine if vacant staff lines should be closed or held open based on aligned strategic priorities.

Recommendation 4: Clearly Communicate that Faculty, Staff and Administrators at all Levels of the Institution are Responsible and Accountable for Student Success

In conversations on campus and through virtual town halls, NCHEMS staff heard loud and clear that faculty, staff, and administrators at all levels of the organization are deeply committed to student success. At the same time, the functional structure of SSEM seemed to send an implicit, and at times explicit, message that student success is the sole responsibility of SSEM. This sentiment left some campus community members with a lack of clarity on how they could best support growth in student success within their own field of influence.

In moving through the strategic planning process, FGCU took the unique and welcome step of identifying Key Performance Indicators (KPIs). NCHEMS recommends that FGCU leadership assign the KPIs as accountabilities across units, and, in so doing, make clear how each campus unit is called to support the institution in meeting its goals. Given the interrelated nature of the strategic plan goals, some KPIs could be assigned to multiple units and/or individual leaders.

The intent of this shift is to encourage campus leaders to continue to ensure their professional practice coincides with the strategic direction of the university. Leaders should also be encouraged to align the KPIs of their direct reports and contributors within the assigned performance indicator(s) for their units. Ideally, leveraging the KPIs in this way will support people in identifying how they can best use their strengths and responsibilities towards the institution's strategic priorities.

For executive-level leaders, we would encourage use of the KPIs as they exist within the strategic plan. For example, for Strategic Goal 1: Innovate in Academic Excellence, the Provost may be assigned a KPI to raise the Academic Progress Rate (APR) to 83% or greater by 2029. The KPI would then also be expressed at the level of the Deans, by setting specific APR objectives that align to how their program(s) will contribute to the institution-wide goal.

Final Thoughts

This analysis has revealed several ways in which the FGCU campus has excelled: increased enrollment, retention and graduation rates that outpace national peers, and the addition of new and innovative programs and schools. FGCU has set ambitious goals for itself, and the SUS is also driving high expectations for FGCU through the performance funding formula. To reach these goals, the university will need to make key functional realignments in student services, provide key support to campus units that need it most, control administrative expenses, and focus the entire campus community on student success. This report provides an evidence base from which to make these changes to support ongoing growth and excellence at FGCU for years to come.

Appendix 1: Peer Analysis Methodology

Overview of Peer Selection

NCHEMS' Comparison Group Selection Service (CGSS) is designed to support institutions in better understanding both their own and other similar institutions as one piece of evidence to inform future strategy. In the case of Florida Gulf Coast University (FGCU), NCHEMS was asked to review the institution's new strategic plan and provide evidence and recommendations related to FGCU's organizational structure. CGSS is an input-driven approach to identifying peer institutions. That is, we seek to create a comparison group based on similar missions and student populations. This contrasts with other peer group approaches that might be based on aspirational characteristics that do not reflect the campus as it is today or based on outputs such as student outcomes. While these alternative approaches to peer analysis are valid, they are less useful in comparing organizational structures.

Methodology

CGSS consists of two primary components. The first is a large database containing indicator variables on each of more than 6,000 higher education institutions, constructed from IPEDS data. The indicator database contains variables covering institutional characteristics, faculty, finance, degrees awarded, academic programs, enrollments, research and other expenditures, and other miscellaneous data.

The second component of the CGSS is a set of algorithms designed to condense the over 6,000 institutions in the indicator database down to a usable list of potential peers for the target institution. These algorithms use a set of selected criteria to determine which institutions appear on the possible comparison institution list and their associated relative rankings within the list.

To avoid selecting peers on the basis of the key variables of interest such as funding levels or student outcomes, NCHEMS only relies on data that describe institutions' relative similarities based on mission, size, program array (by level and field), student body characteristics, faculty characteristics, geographic location, and other special characteristics like an institution's status as a minority-serving institution. Only after finalizing a set of peers does NCHEMS pull data on other key characteristics like funding and student outcomes.

Part I: Selection Criteria

The selection criteria work as a filtering mechanism to eliminate characteristically dissimilar institutions from the institution comparison list. An institution that does not satisfy any one of the selection criteria is excluded from further consideration as a comparison institution. For FGCU, selection criteria included sector (public), Land Grant status (not a Land Grant University), whether it has a medical school or not (not), whether it is a Historically Black College or University or not (not), and the degree of urbanization of the location of the institution's physical address.

Institutions not meeting the specified criteria selected were eliminated from consideration as potential peers.

Part II: Weighting Criteria and Discrete Analysis

Once the universe of possible comparison institutions has been reduced by the selection criteria specified in Part I, the weighting criteria are used to rank the remaining institutions from most similar to least similar with respect to the weighting criteria (variables) selected.

The weighting criteria selected for the Florida Gulf Coast University peer analysis included fall and annual enrollment characteristics (FTE, time-status of students), distribution of awards conferred by award level, program array and associated distribution of awards, total research expenditures and percent of undergraduates awarded Pell Grants.

Part III: Triangulation of Results with Hierarchical Cluster Analysis

To enhance the previous methodology used, NCHEMS also employed a Hierarchical Cluster Analysis and associated proximity matrix with Euclidean distance scores to help triangulate the appropriateness of potential peers. Weighting variables were standardized so that all weighting variables are on the same scale.

Part IV: Additional Adjustments

At this point in the selection process, NCHEMS has a list of candidate peers for the target institution, ordered by their distance scores resulting from the discrete analysis. But the mechanics of creating that ordering may have overlooked important characteristics that make each candidate institution either a stronger or weaker match for the target institution, necessitating a further review to make additional adjustments to the list of peers. Institutions can be excluded due to known special characteristics not available/included in the selection criteria or for whom critical criteria fall farther outside the target than is acceptable. Among the characteristics receiving special additional consideration include research/instruction expenditure ratio, state (in part to ensure a reasonable diversity of environmental characteristics like state funding policies), and a closer look at total headcount, percent part-time headcount, percent awards in health and engineering (due to the high cost associated with offering these), and total research expenditures.

The result from the process described above is a set of institutions most like FGCU. The following ten institutions were selected.

University of Central Oklahoma	Grand Valley State University
Illinois State University Western	California State University-San Marcos
Carolina University	Bowling Green State University-Main
California State University-East Bay	Campus West Chester University of
Eastern Michigan University	Pennsylvania
	Eastern Washington University

Peer Analysis

Once the peer selection process described above was completed, NCHEMS analyzed data from the IPEDS Instructional Activity, Finance, and HR survey components to get a sense of how FGCU compares to its peers in terms of expenditures and staffing levels in relationship to full-time equivalent students (FTES). Additionally, NCHEMS analyzed retention and graduation data for FGCU and its peers since these are related to FGCU’s outcome metrics of focus to better leverage performance funding.

The purpose of these analyses is to inform a broader understanding of how similar institutions compare in how they allocate resources to meet their students’ needs.

While peer analysis seeks to identify institutions that are as alike as possible in who they serve and with what programs, it cannot yield identical institutions. Therefore, results must be interpreted with caution.

Before contracting with NCHEMS, the Board of Governors requested that FGCU send them a list of five peer institutions for metrics and funding purposes. NCHEMS ran the same analyses for the peers FGCU selected before contracting with NCHEMS to provide additional data points to consider and honor the work FGCU had carried out to identify peer institutions. The FGCU-selected peer list follows.

Eastern Washington	University of Tennessee – Chattanooga
West Georgia	Western Carolina University
Minnesota State University - Mankato	

Analysis of FGCU and Peer Data

Sources and Description of Measures *Enrollment*

Full-time equivalent (FTE) enrollment is calculated based on instructional activity. FTE provides a meaningful combination of full- and part-time students across institutions that operate on different calendar systems and is used to calculate expenses per FTE and revenues per FTE³. NCHEMS calculated the total FTE enrollment by aggregating the undergraduate, graduate and Doctor’s-professional practice student FTE enrollment numbers reported by institutions.

Expenditures

The IPEDS finance survey component data file contains institutional finance data for public institutions that use accounting standards established by the Governmental Accounting Standards Board (GASB). Finance data includes institutional revenues by source, expenditures by functional categories, expenditures by natural classification categories, scholarships and fellowships by source, endowments, assets, and liabilities. NCHEMS used IPEDS expenditures data for the following measures: total expenditures, total expenditures per FTES, and expenditures per FTES by functional category. The measures are described below.

³ Source: <https://nces.ed.gov/ipeds/survey-components/5>

- Total expenditures: the sum of operating and non-operating expenses and deductions. This number is reported by institutions.
- Total Expenditures per FTE student: the total expenditures divided by the total FTE enrollment. Dividing a measure by FTE enrollment helps compare numbers across institutions with different enrollment numbers.
- Expenditures per FTE student by functional category: Institutions report expenditures by functional categories (e.g., institutional support) established by the GASB.⁴ The expenditures in a given category are divided by the total FTE enrollment to calculate expenditures per FTE student.

NCHEMS also used the FTE enrollment and finance data to look at the change in FY 2022 from FY 2018 in total expenditures and total expenditures relative to enrollment (by dividing expenditures by the number of full-time equivalent students).

Appendix 2: Performance Measures for Undergraduates with a Pell Grant

Performance Metric – 2022-23 PBF Measure - Percent of Undergraduates with Pell Grant

Table 4 2022-23 PBF Measure – Percent of Undergraduates with Pell Grant

Academic Unit	Score
Arts and Sciences	0.87
Business	-1.07
Health & Human Services	0.90
Education	0.23
Engineering	0.74
School of Entrepreneurship	-0.71
The Water School	-0.96
Above FGCU Academic Units	0

⁴ Source: <https://nces.ed.gov/ipeds/survey-components/2>

Figure 29 2019-23 PBF Measure - Percent of Undergraduates with Pell Grant Performance

