

INDEX OF MINUTES
BOARD OF GOVERNORS
STATE UNIVERSITY SYSTEM OF FLORIDA
FLORIDA A & M UNIVERSITY
GRAND BALLROOM, STUDENT UNION
TALLAHASSEE, FLORIDA
JANUARY 24, 2008

<u>ITEM</u>	<u>PAGE</u>
1. Call to Order and Chair’s Report.....
1	
2. Recognition: Joe O’Shea.....	3
3. Approval of Minutes of the Meeting of the Board of Governors held December 6, 2007; and Minutes of the Meeting of the Board of Governors Foundation, Inc., held December 6, 2007.....	4
4. Chancellor’s Report.....	4
5. Discussion:	
A. Notice of Intent to Create New BOG Regulation, Public Meeting Requirements.....	5
B. Notice of Intent to Create New BOG Regulation, Conflicts of Interest.....	6
6. Consent Agenda Items:	
A. 2007 Accountability Report.....	7
B. Amended BOG Regulation 9.017, Faculty Practice Plans.....	7
7. Action Items/Status Reports, Board Committees:	
A. Trustee Nominating Committee; Appointment, Trustee, UNF Board of Trustees.....	7
B. Facilities Committee	
1. Approval, Amended 2008-2009 Fixed Capital Outlay Legislative Budget Request.....	8
2. Amend 2008-2009 SUS Fixed Capital Outlay Legislative Budget Request to include \$160 million from the Capital Improvement Fee Trust Fund.....	10
3. Notice of Intent to Amend BOG Facilities Regulations: 9.004, Razing of Buildings; 9.005, Naming of Buildings; 14.002, (Construction) Definitions; 14.004, Public Announcement and Qualification Procedure; 14.005, Certification and Competitive Selection of Architects/ Engineering; 14.007, Competitive Negotiation; 14.018, Contracting Authority for Construction Contracts; 14.020,	

	University Supervision of Construction Program; 14.021, Procedures for Construction Contract Bidding and Award; 14.022, Disqualification Procedures; 14.023, Notice and Protest Procedures; and 14.025, Action Required Prior to Capital Outlay Appropriation.....	10
4.	Notice of Intent to Repeal BOG Regulation 10.009, Smoking in Public Buildings.....	11
C.	Audit Committee.....	11
D.	Academic Programs/Strategic Planning Committee.....	11
E.	Budget Committee	
1.	Notice of Intent to Amend BOG Regulation 9.019, University Major Gifts Challenge Grant Program.....	11
2.	Notice of Intent to Create BOG Regulations: 18.001, Purchasing; 18.002, Notice and Protest Procedures; and 18.003, Bonding Requirements.....	12
3.	Notice of Intent to Repeal BOG Regulations: 18.030, Statement of Intent; 18.035, Definitions; 18.040, Purchasing Authority of the Institutions; 18.045, Competitive Solicitations Required; 18.050, Purchase of Commodities or Contractual Services; 18.055, Bonds; 18.060, Contracts; 18.065, Standard of Conduct; and 18.070, Purchase of Motor Vehicles.....	12
4.	Consideration of Enrollment Alignment to Budget Cuts.....	12
5.	Consideration of Faculty and Financial Aid Initiative.....	13
F.	Student Affairs Committee	
1.	Notice of Intent to Create New BOG Regulation, Vaccinations against Meningococcal Meningitis and Hepatitis B.....	15
2.	Notice of Intent to Amend BOG Regulation 6.006, Acceleration Mechanisms.....	15
8.	Adjournment.....	16

MINUTES
BOARD OF GOVERNORS
STATE UNIVERSITY SYSTEM OF FLORIDA
FLORIDA A & M UNIVERSITY
GRAND BALLROOM, STUDENT UNION
TALLAHASSEE, FLORIDA
JANUARY 24, 2008

The Chair, Carolyn K. Roberts, convened the meeting of the Board of Governors, State University System of Florida, in the Grand Ballroom, Student Union, Florida A & M University, Tallahassee, Florida, at 1:30 p.m., January 24, 2008, with the following members present: Sheila McDevitt, Vice Chair; Dr. Arlen Chase; John Dasburg; Ann Duncan; Charlie Edwards; Frank Martin; Ryan Moseley; Lynn Pappas; Ava Parker; Tico Perez; Gus Stavros; John Temple; and Dr. Zach Zachariah.

1. Call to Order and Chair's Report

Mrs. Roberts extended her thanks to President Ammons and the staff at FAMU for their hospitality. She noted that the Board had now celebrated its fifth birthday. While the Board was still an emerging Board, she said she believed that it had already made some significant decisions. She said 2008 would also be an interesting year for the Board.

Mrs. Roberts said the Governor had unveiled his education budget recommendations the previous week. She expressed her appreciation for the Governor's support of the State University System. She noted, however, that she anticipated additional budget cuts for the current 2007-2008 academic year. The Special Session last September had cut the University System's base funding by nearly \$100 million. She said with the slide in state revenue, the SUS could see another cut of \$100 million before the end of this year.

She commented that all of state government would feel the pain of budget cuts; these cuts would force some difficult decisions. She noted that the Board had to bring its budget in line with this reality and would recommend cuts that did the least damage to the universities and the quality of education they provided. She said that because most of the state appropriations to the universities were spent on salaries, the universities could not take multi-million dollar cuts without suffering the pain of layoffs and other significant adjustments.

Mrs. Roberts said that there might be further reductions in the next fiscal year. The universities might need to consider the option of reducing enrollment beginning

with the fall semester. She said it would be irresponsible to enroll students who would not be able to earn their degree. She commented that student success was as important as access. She noted that during difficult economic times it was important to protect the education sectors that had the ability to charge the economy positively. She said the State University System was in the business of educating citizens to become productive parts of the workforce, citizens who created jobs and job opportunities.

She said she held the state's policy of articulation, the smooth transfer of AA graduates of the community colleges into one of the SUS universities, as a sacred agreement, and that she had consistently supported this policy. She noted, however, that at some point in addressing budget shortfalls, the Board would have to recognize and support current SUS students. She said she was not saying that the Board would adopt such a change at this point, but the Board needed to be cognizant of the funding realities and the consequences of budget reductions.

Mrs. Roberts said the Board was involved in litigation on several matters. She said that in July, the Board had joined the lawsuit brought by Former Governor Bob Graham seeking clarification as to the scope of the Board's authority to govern the SUS. The court had ruled recently that the Board did not have standing to request the clarification. She said that while she was disappointed in the ruling, Counsel would be filing an amended complaint and she remained optimistic that the Board would satisfy the court's concerns. She said she believed the authority came from the overwhelming support of Florida's citizens who had voted for the Constitutional Amendment.

Mrs. Roberts also explained the position of the Board in the lawsuit brought by the Faculty Senate of FIU and other faculty challenging the statute prohibiting the use of state or non-state funds on activities related to or involving travel to Cuba and certain other designated countries. She said that several universities had federal licenses, financed largely by federal and private grant monies, authorizing faculty and their students to travel to Cuba to participate in educational programs and research. The Board had taken a position, independent from that of the State, as to the prohibition on the use of non-state funds, which the Board believed were within the Board's constitutional authority to manage and control.

Mrs. Roberts also reported on the serious discussions occurring with regard to the Byrd Institute. She said she was pleased that Ms. McDevitt had agreed to serve as the Board's representative on the Board of the Byrd Institute. She said interested lawmakers were part of the discussions. She commented that under any scenario, the Board believed that the Institute, while maintaining its statewide mission, should be linked more closely to the University of South Florida.

She advised the members that the next meeting of the Board would be by telephone conference call on Thursday, February 21, 2008. The next full meeting of the Board would be held at Florida State University on March 26-27, 2008.

2. Recognition: Joe O'Shea

Mrs. Roberts said the Board was very proud that a student in the State University System, a Florida State University student, had been selected as a Rhodes Scholar. She said this was a huge accomplishment. She noted that the members of the Board expected to hear about his accomplishments in the years ahead. She read the following Resolution:

WHEREAS, Joseph O'Shea has provided dedicated and effective leadership to Florida State University as its Student Body President, and member of the FSU Board of Trustees, as well as serving on dozens of FSU Committees and other local and state-level leadership boards; and

WHEREAS, Mr. O'Shea has been recognized with numerous honors and awards during his college years, including being named to the USA Today's All Academic First Team; and a junior-year inductee to Phi Beta Kappa; in March 2007, Mr. O'Shea was declared the winner of a Truman Scholarship, a national fellowship recognizing his outstanding leadership potential and community service; and

WHEREAS, Mr. O'Shea has now been honored as the recipient of the most prestigious of all academic awards and recognitions, awarded to only 32 students nationwide, having been named a "Rhodes Scholar," thereby joining the ranks of some of this nation's most distinguished scholars and public servants; and

WHEREAS, Mr. O'Shea envisions a career dedicated to public service, having already worked to establish the Lower Ninth Ward Health Clinic in post-Katrina New Orleans, providing preventive and primary care, and leading the effort for the Leon County Community Healthcare Coalition, to provide comprehensive health care to indigent residents; and

WHEREAS, in all these academic and service accomplishments, Mr. O'Shea has brought honor and distinction to Florida State University and to the State University System, and demonstrated the very highest and best qualities of students enrolled in Florida's State University System; now therefore

BE IT RESOLVED that the members of the Board of Governors, meeting in the Grand Ballroom, Student Union, Florida A & M University, in Tallahassee, on this twenty-fourth day of January, 2008, do hereby commend and congratulate Joe O'Shea on this singular recognition; and

BE IT FURTHER RESOLVED that the resolution be presented to Mr. O'Shea as a token of the Board's admiration and pride.

Members of the Board applauded Mr. O'Shea. Mr. O'Shea thanked members of the Board and Chancellor Rosenberg. He said that Florida State University was a wonderful place to live and to grow. He commended FSU and said it did a great job in developing the whole student. He said he was sure he would be followed by many more Rhodes Scholars from FSU. He said he would be going to Oxford University in the fall to study Comparative Social Policy

3. Approval of Minutes of the Meeting of the Board of Governors held December 6, 2007; and Minutes of the Meeting of the Board of Governors Foundation, Inc., held December 6, 2007

Dr. Chase moved that the Board approve the Minutes of the Meeting of the Board of Governors held December 6, 2007, and the Minutes of the Meeting of the Board of Governors Foundation, Inc., held December 6, 2007, as presented. Mr. Temple seconded the motion, and members of the Board concurred.

4. Chancellor's Report

Chancellor Rosenberg thanked Governor Crist for inviting Board members to a reception the previous evening at the Governor's Mansion. He said he appreciated this special gesture of friendship.

Dr. Rosenberg also thanked members of the Board for their commitment and dedicated service to this Board. This January marked the Board's fifth anniversary. He noted that some members had served since the Board's inception, appointed prior to the Board's first meeting in January 2003.

Dr. Rosenberg said Governor Crist had announced his proposed education budget earlier in the week. He thanked the Governor for his intent to hold education harmless from budget cuts, and to provide some incremental funding. He said he hoped the Legislature would also shield the SUS from further budget cuts.

Dr. Rosenberg said the Board had adopted Forward by Design at its December meeting. He said several presidential task groups were working to help craft a template for the compacts, fashion an accord with the Governor and Legislature, and provide options for appropriate and predictable funding. He said the Strategic Planning Committee had discussed the template for the compacts, developed by Presidents Maidique, Genshaft, Bradshaw and Michalson. The task group on the accord had met twice and drafts would be presented soon. He thanked Presidents Hitt, Machen and Delaney for this effort. He said the group on funding had not yet met; he said he had asked President Wetherell to lead this effort.

Chancellor Rosenberg reported on developments in other states. He said in New York, Governor Spitzer had called for major enhancements to public universities in an effort to raise the national rankings for both the SUNY and CUNY systems. Dr. Rosenberg commented that this Board sought to raise the number of baccalaureate degrees produced. Governor Spitzer also sought to hire an additional 2000 full-time faculty and 250 eminent scholars over the next five years. In North Carolina, the Board of Governors had released a road map for new system initiatives to outline how the University of North Carolina could respond more proactively to the 21st century challenges facing North Carolina.

He commented that other states were also experiencing budget difficulties. The "California Compact" between Governor Schwarzenegger and higher education might be unraveling in the face of \$650 million in higher education cuts. The University of California system was contemplating a tuition increase of at least 7.4 percent; the Cal State system was considering a tuition increase of more than the already proposed 10 percent.

The Chancellor said the Agenda included the System's annual Accountability Report. He said the Report detailed System progress. He commented that the Report was not so good. Graduation rates were stagnant; the percentage of African-American students graduating had declined; research per capita was flat or declining; retention rates were declining. He said these were all signs of the SUS slowing down.

Dr. Rosenberg reported that the Board had a new website, promoting the value of the System and its contributions to the state. The site featured each of the 11 institutions, data, and general information about the Board and Board staff.

The Chancellor commented on recent reports of inadequate controls on distance learning examinations. He said he had asked Presidents to review their policies and assure their boards of adequate controls to prevent cheating.

Dr. Rosenberg extended congratulations to FAU. He said that all eyes would be on that University as it hosted the debates between the Republican presidential candidates. He commented that the University had turned the debates into an opportunity for broader debate and discussion for its students.

5. Discussion

A. Notice of Intent to Create New BOG Regulation, Public Meeting Requirements

Ms. Vikki Shirley, General Counsel, said she had been asked to develop a Board Regulation on public meeting requirements to ensure that meetings of the boards of directors of direct support organizations

and health support organizations were properly noticed and open to the public. She said the regulation recognized that some meetings or portions of meetings were exempted by law from open meeting requirements.

Mr. Edwards moved that the Board approve the Notice of Intent to Create a New Board Regulation, Public Meeting Requirements, for posting to the website, pursuant to the Board's Regulation Development Procedure. Mr. Moseley seconded the motion, and members of the Board concurred.

B. Notice of Intent to Create New BOG Regulation, Conflicts of Interest

Ms. Shirley said she had also been asked to develop a Board Regulation regarding Conflicts of Interest. She said that as public officers, members of the Board were subject to the Florida Code of Ethics for Public Officers and Employees, Part III, Chapter 112, F.S. To ensure full disclosure of any actual or potential conflicts of interest between Board members' private interests and their public duties, the proposed regulation requires an additional disclosure form to be filed annually with the Board's Corporate Secretary listing any personal, familial, or business relationships with organizations doing business with the Board or the State University System that might give rise to a potential or actual conflict of interest.

She explained that the regulation also addressed voting conflicts and the process to be followed in the event a matter comes before the Board for a vote that might result in a special gain or loss to the Board member. The Memorandum of Voting Conflict is to be read publicly at the next meeting of the Board. The regulation also prohibited Board members from holding employment or contractual relationship with any university or business entity subject to regulation by the Board or doing business with the Board.

Mr. Edwards moved that the Board approve the Notice of Intent to Create a new Board Regulation, Conflicts of Interest, for posting to the website, pursuant to the Board's Regulation Development Procedure. Mr. Moseley seconded the motion.

Ms. Parker commented that UCF had adopted a good Conflicts of Interest policy. Ms. Shirley added that the University of North Carolina and the University of Texas systems had also developed sound policies. She said these were in place to assure the disclosure of information about business relationships.

There were no further comments. Members of the Board concurred unanimously.

6. Consent Agenda Items:

A. 2007 Accountability Report

Dr. Chase moved that the Board approve the 2007 Accountability Report for submission to the Legislature, as presented. Mr. Martin seconded the motion, and members of the Board concurred.

B. Amended BOG Regulation 9.017, Faculty Practice Plans

Dr. Chase moved that the Board approve the amended Board Regulation 9.017, Faculty Practice Plans, as presented. Mr. Martin seconded the motion, and members of the Board concurred.

7. Action Items/Status Reports, Board Committees:

A. Trustee Nominating Committee; Appointment, Trustee, UNF Board of Trustees

Mr. Edwards reported that the Trustee Nominating Committee had developed a procedure for the appointment and reappointment of university trustees by the Board of Governors. He said the Committee had conducted candidate interviews in December 2007, at which time the candidate for the UNF Board, Mr. Kevin Twomey, had not been available. He said he had asked Ms. Parker to conduct the interview on behalf of the Committee.

Ms. Parker reported that she had found Mr. Twomey to be committed to his service to the UNF Board. She said his background was in finance and he was fully prepared to give of his time and talent to serve on that Board.

Ms. Parker moved that the Board reappoint Mr. Kevin Twomey as a member of the UNF Board for a term beginning January 24, 2008, and ending January 6, 2013. Ms. Duncan seconded the motion, and members of the Board concurred.

B. Facilities Committee

1. Approval, Amended 2008-2009 Fixed Capital Outlay Legislative Budget Request

Ms. Parker said staff had received revised PECO revenue estimates. She said the Facilities Committee had reviewed the amended 2008-2009 SUS Fixed Capital Outlay Legislative Budget Request. Ms. McDevitt moved that the Board approve the 2008-2009 SUS Fixed Capital Outlay Legislative Budget Request, as amended, and authorize the Chancellor to make technical adjustments, as required. Mr. Temple seconded the motion.

Mr. Dasburg noted that the Budget Committee had engaged in a lengthy discussion of the difficult budget situation. He said the universities needed additional funding and were discussing constraining enrollment. He said in this environment, he questioned whether the Board should go forward with the USF Lakeland Campus. He noted that the proposed investment of \$35 million could be spent on faculty and other needs. He said he hoped that this Board was facile enough to recognize when times changed and to be willing to look at issues through a new set of glasses. He said he was not making a motion, but was rather raising the issue that this was not the right time to invest funds in a new campus while curtailing investments in the existing universities.

Dr. Chase agreed and said this was not the time to be looking at new projects. Dr. Zachariah noted the discussions of significant revenue shortfalls and the Board action to reduce enrollment. He said the Board should spend more time considering the new campus. He said he was opposed to spending dollars to construct new projects.

Ms. Duncan said the USF Board of Trustees should provide its priorities to this Board. She said this Board should not change its priorities without hearing from the University Board. She said this was not a decision to be made at this meeting.

Ms. Parker said the Board needed to approve the amended Fixed Capital Outlay Budget Request at this meeting. She said that there would be another opportunity to review the Request following another revised revenue estimate prior to the Legislative

Session. Mrs. Roberts noted that no additional projects were being added.

President Genshaft said the USF Lakeland project had been underway almost ten years. She said the land had been donated; the city and Polk County had each contributed \$5 million. In total, the project was a \$50 million deal. She said the site was located in one of the largest growing counties in Florida. She said the timing of the project was now critical.

Ms. Parker said there would be one more Revenue Estimating Conference before the end of Session. She said the Board would be able to review the list one more time; she hoped the SUS would receive additional PECO dollars. She said this Board worked with the university boards and the university presidents in making changes to the SUS PECO list. She noted that as to the current list, the university boards had submitted priority projects in accordance with the Board's Guidelines, and appropriate adjustments were made. Universities could recommend changes to the PECO list, previously approved by the Board.

Dr. Zachariah said he did not doubt that the USF Lakeland project was a good project. He questioned whether the Board should be making large commitments in light of declining revenues. Dr. Genshaft said this was an important project and there was a limited time in which the University could fulfill the agreement to begin construction. She said the campus would sit on 530 acres within the I-4 corridor, 75 miles from the Orlando airport and 75 miles from the Tampa airport. She said this project was important to the economic development of the area.

Mrs. Roberts added that it would set a dangerous precedent in relationships with the boards of trustees if this Board tampered with their project priority lists.

Mr. Dasburg commented that this Board was the governing board. He said he appreciated the boards of trustees, but he felt that this Board had no obligation to rubberstamp the positions and priorities of the boards of trustees.

There was no further discussion. Members of the Board concurred in the motion, with Mr. Dasburg, Ms. Pappas and Dr. Zachariah voting no.

2. Amend 2008-2009 SUS Fixed Capital Outlay Legislative Budget Request to include \$160 million from the Capital Improvement Fee Trust Fund

Ms. Parker reported that after the Agenda had been printed, staff had reviewed the amount of available funds in the Capital Improvement Fee Trust Fund. She said the last CITF allocation was part of the 2005 Legislative Budget Request. She said it made sense to the Committee to allocate funds as a part of this year's Legislative Budget Request.

Ms. Parker moved that the Board amend the 2008-2009 SUS Fixed Capital Outlay Legislative Budget Request to include \$160 million from the Capital Improvement Fee Trust Fund, as presented. Mr. Moseley seconded the motion, and members of the Board concurred.

Mr. Moseley thanked the Board for this action. Ms. Parker added that during the Committee meeting, there had been discussion about seeing if the timeline could be expedited to get these projects underway as soon as possible. She said she was confident student leaders would want to work with their university administrations to identify the best projects.

3. Notice of Intent to Amend BOG Facilities Regulations: BOG Regulation 9.004, Razing of Buildings; BOG Regulation 9.005, Naming of Buildings; BOG Regulation 14.002, (Construction) Definitions; BOG Regulation 14.004, Public Announcement and Qualification Procedure; BOG Regulation 14.005, Certification and Competitive Selection of Architects/Engineering; BOG Regulation 14.007, Competitive Negotiation; BOG Regulation 14.018, Contracting Authority for Construction Contracts; BOG Regulation 14.020, University Supervision of Construction Program; BOG Regulation 14.021, Procedures for Construction Contract Bidding and Award; BOG Regulation 14.022, Disqualification Procedures; BOG Regulation 14.023, Notice and Protest Procedures; and BOG Regulation 14.025, Action Required Prior to Capital Outlay Appropriation

Ms. Parker said staff were updating and revising all the Board Regulations dealing with facilities. The Committee had discussed these regulations. She said the Committee had been advised that university staff had been a part of the review process and generally concurred in the proposed regulations.

Ms. Parker moved that the Board approve the Notice of Intent to Amend the Board of Governors Facilities Regulations, as presented, for posting to the website, pursuant to the Board's Regulation Development Procedure. Ms. Duncan seconded the motion, and members of the Board concurred.

4. Notice of Intent to Repeal BOG Regulation 10.009, Smoking in Public Buildings

Ms. Parker moved that the Board approve the Notice of Intent to Repeal Board Regulation 10.009, Smoking in Public Buildings, for posting to the Board's website, pursuant to the Board's Regulation Development Procedure. Dr. Chase seconded the motion, and members of the Board concurred.

C. Audit Committee

Ms. Pappas said the Audit Committee had no items for Board action. She reported that the Committee had reviewed a proposed Audit Committee Charter. In addition, she said the Committee had heard a status report from the Task Force on FAMU Finance and Operational Control Issues. She said that Mr. Derry Harper had described the timeline for the report from the Task Force.

D. Academic Programs/Strategic Planning Committee

Mr. Dasburg said the Academic Programs/Strategic Planning Committee had no items for Board action. He said the Committee had engaged in a good discussion of university compacts.

E. Budget Committee

Mr. Perez said that at the conclusion of the Academic Programs/Strategic Planning Committee, the Chair of that Committee had asked the Budget Committee to look at some of the funding pieces which were part of the Forward By Design project. He said the Budget Committee had agreed to take this assignment.

1. Notice of Intent to Amend BOG Regulation 9.019, University Major Gifts Challenge Grant Program

Mr. Perez moved that the Board approve the Notice of Intent to Amend Board Regulation 9.019, University Major Gifts Challenge Grant Program, for posting to the Board's website,

pursuant to the Board's Regulation Development Procedure. Dr. Chase seconded the motion, and members of the Board concurred.

2. Notice of Intent to Create BOG Regulations: BOG Regulation 18.001, Purchasing; BOG Regulation 18.002, Notice and Protest Procedures; and BOG Regulation 18.003, Bonding Requirements

Mr. Perez said the Budget Committee had reviewed the Board Regulations relating to purchasing. He said these regulations had been developed to reflect current practice. University staff had been a part of the review process and generally concurred in the proposed regulations.

Mr. Perez moved that the Board approve the Notice of Intent to Create BOG Regulations 18.001, Purchasing; 18.002, Notice and Protest Procedures; and 18.003, Bonding Requirements, for posting to the website, pursuant to the Board's Regulation Development Procedure. Dr. Chase seconded the motion, and members of the Board concurred.

3. Notice of Intent to Repeal BOG Regulations: BOG Regulation 18.030, Statement of Intent; BOG Regulation 18.035, Definitions; BOG Regulation 18.040, Purchasing Authority of the Institutions; BOG Regulation 18.045, Competitive Solicitations Required; BOG Regulation 18.050, Purchase of Commodities or Contractual Services; BOG Regulation 18.055, Bonds; BOG Regulation 18.060, Contracts; BOG Regulation 18.065, Standard of Conduct; and BOG Regulation 18.070, Purchase of Motor Vehicles

Mr. Perez said the Budget Committee had also reviewed Board Regulations relating to purchasing which were no longer needed in the current governance structure. These regulations were recommended for repeal. Mr. Perez moved that the Board approve the Notice of Intent to Repeal Board Purchasing Regulations, as presented, for posting to the website, pursuant to the Board's Regulation Development Procedure. Dr. Chase seconded the motion, and members of the Board concurred.

4. Consideration of Enrollment Alignment to Budget Cuts

Mr. Perez said the Budget Committee had had an extensive discussion about current budget constraints affecting state revenues. He said the Chancellor had described four percent budget cutbacks imposed last fall and the expectation of additional

four percent cutbacks prior to the end of the 2007-2008 academic year. He said the total SUS cut was estimated to be \$157 million.

Mr. Perez moved that the Board approve the following actions:

- The Board of Governors direct each institution of the State University System of Florida to align its student enrollment with budget cuts, faculty reductions and reduced state appropriations;
- That the Chancellor present the Board of Governors with an amended enrollment plan that includes specific enrollment realignments for each institution; and
- That each institution take the necessary actions to carry out the enrollment realignments described above and as may be required in the future.

Dr. Chase seconded the motion, and members of the Board concurred.

5. Consideration of Faculty and Financial Aid Initiative

Mr. Perez said the Budget Committee had also had a vigorous discussion of tuition in the SUS. The discussion had centered on where Florida's tuition stood in relation to public university tuition in other states, on faculty-student ratios compared to other states, and on Florida's ranking in the proportion of financial aid awarded based on students' financial need. He said all the members of the Committee had spoken to the need to raise tuition to address the financial state of the universities. He said all the members addressed the Board's intent to raise tuition.

Mr. Perez moved that the Board increase resident undergraduate tuition in equal increments over the next five years sufficient to reach the top of the fourth quartile of the 50 states and use 70 percent of the revenues to hire and retain faculty, including related administrative and support costs, with 30 percent of the increased revenue dedicated to need-based financial aid for eligible students. Mr. Edwards seconded the motion.

Ms. McDevitt said she had voted affirmatively on the prevailing side of the motion. She offered a substitute motion. She moved that the Board increase tuition by 8 percent for the 2008-2009 academic year, with 70 percent directed to reduction of the faculty-student ratio and related support and administrative costs and 30 percent to need-based financial aid, and to direct staff to

evaluate all sources of revenue used for operating purposes (other than capital purposes) traditionally available for SUS funding, including among others, Bright Futures, need-based financial aid, the lottery, General Revenue, tuition and fees and others; and propose to the Board of Governors in the Spring a comprehensive approach to financing the SUS, including a restructuring of Bright Futures and need-based financial aid that would recognize merit and financial need, tuition and fee increases and other measures within the context of the Board's view of appropriate and predictable funding. Dr. Chase seconded the motion.

Ms. Duncan said she was more comfortable with this motion than the motion discussed by the Budget Committee. She said she had been concerned about unintended consequences of the Committee's motion. She said, however, that she agreed in the need to raise tuition.

Mrs. Roberts inquired whether Ms. McDevitt's motion encompassed any goal. Ms. McDevitt responded that the goal was that 70 percent of the new funds would be applied to the reduction of the current faculty-student ratio and related administrative and support services, and 30 percent to need-based financial aid. She said she wanted the Board to recognize the need to increase tuition and express its intent to increase tuition within the Board's overall view of the future of the SUS. She said she also recognized the need for funding from the Legislature. She said her motion suggested a proactive posture for the Board to work together with the Legislature to fund the System properly.

Mr. Moseley said the motion was a good one. He said it tackled the problem in recommending a tuition increase. It was thoughtful and looked to the future and the bigger picture.

Mr. Temple inquired whether the motion recommended only the eight percent increase for the next year, as the Committee action had proposed tuition over a five-year timeline. He also inquired about the intent of the directive to look at other financial programs. Ms. McDevitt said she was asking staff to look at all the sources of revenue to calculate exactly what was known and what was needed to make up the deficit in university funding, so that the Board would not be making up arbitrary increases. She said the Board should have a comprehensive understanding of the total financial picture to inform the Board's tuition policy.

Mr. Stavros inquired whether the motion addressed tuition and fees. Ms. McDevitt said her motion addressed a specific tuition increase, but directed staff to develop a comprehensive picture with all the tuition and related fees data. She suggested that the Board look at appropriate and predictable funding at the March Board meeting.

Mr. Edwards said he was concerned that the Board was delaying the inevitable. He said he agreed with Mr. Stavros that the Board needed to move ahead and take the action needed on behalf of higher education. He said the Board needed to take the action to increase tuition.

Mr. Dasburg called the question. Members concurred unanimously in the substitute motion.

F. Student Affairs Committee

Ms. McDevitt reported that Dr. Marshall had been unable to attend this Board meeting, so the Mental Health Issues Subgroup had not met to consider its report. She said a special meeting would be convened to review that report, which would be submitted to the Student Affairs Committee for its review and consideration.

1. Notice of Intent to Create New BOG Regulation, Vaccinations against Meningococcal Meningitis and Hepatitis B

Ms. McDevitt moved that the Board approve the Notice of Intent to Create a New BOG Regulation, Vaccinations against Meningococcal Meningitis and Hepatitis B, for posting to the website, pursuant to the Board's Regulation Development Procedure. Mr. Martin seconded the motion, and members of the Board concurred.

2. Notice of Intent to Amend BOG Regulation 6.006, Acceleration Mechanisms

Ms. McDevitt moved that the Board approve the Notice of Intent to Amend BOG Regulation 6.006, Acceleration Mechanisms, for posting to the website, pursuant to the Board's Regulation Development Procedure. Mr. Martin seconded the motion, and members of the Board concurred, with Dr. Chase voting no.

8. Adjournment

Having no further business, the Chair adjourned the meeting of the Board of Governors, State University System of Florida, at 2:50 p.m., January 24, 2008.

Carolyn K. Roberts,
Chair

Mary-Anne Bestebreurtje,
Corporate Secretary