

**State University System
2009-10 Legislative Budget Request Issues
Special Units and State Initiatives Budget**

The following provides a brief explanation of the issues recommended for inclusion in the 2009-2010 Legislative Budget Request. Additional details for some issues are provided in subsequent attachments.

1. IFAS Research / Extension Workload Issue - \$1,910,382

- This calculation is made pursuant to the funding model adopted by the Board in May 2004. The model generates the funds needed based on actual workload increases in the IFAS extension delivery methods. For 2007, there was a total workload increase of 1.5% (over 220,000 citizen contacts) in the various delivery methods used to interact with the public.
- **Outcome:** Funding will provide the resources necessary for IFAS faculty to prepare educational materials for extension clients, conduct additional field and office consultations, provide enhanced group learning opportunities, and expand research.

2. 2008-2009 PO&M - Phased-In Facilities - \$2,651,254

- This is the balance of resources required to support the operational costs for 301,497 gross square feet of new E&G facility space that will become operational at the UF Health Science Center during 2008-2009.

3. PO&M Base Adjustment - \$5,669,521 (Special Units Only)

- A. The universities have been notified by their respective utility providers of an increase in utility costs equaling an average of 20.2%. \$4.5 million is needed for the utilities component of the initiative adopted by the Facilities Task Force and endorsed by the BOG Facilities Committee in June. See Attachment 14 for additional information.
- B. \$1.2 million is needed to provide an inflationary increase for the operations and maintenance component of the funding process for existing E&G facilities. See Attachment 14 for additional information.

4. Brain Drain - Retaining Faculty and Staff - \$8,578,082 (Special Units Only)

- Keeping qualified faculty in SUS classrooms is paramount to student success. In a normal year, about 8 percent of the faculty leaves the SUS, some through retirement, others as a result of competing job offers. This means that the system must hire over 700 faculty annually just to maintain the ranks. The past two years have seen Florida's peer institutions in other states hiring away from the SUS an increasing number of experienced, scholar faculty. These funds will allow

universities to provide compensation to faculty and staff in an effort to slow the tide of employees leaving for additional resources in other states. See Attachment 10 for additional information.

5. Base Funding Adjustment - UF Medical School - \$13,383,520

- **Funding Year 2 -\$8,941,760:** This initiative was adopted by the Board for the 2008-09 year and request additional funds to increase the base funding of the UF medical school. The increase in funds will be used to support the instructional and educational costs of medical education at UF.
- **Unfunded Portion of Year 1 - \$4,441,760:** The legislature funded \$4.5 million of the original \$8.9 million request for 2008-09. This request is for the unfunded portion of the year 1 proposal.

6. Base Funding Adjustment - USF Medical School - \$13,166,804

- **Funding Year 2 -\$7,440,902:** This initiative was adopted by the Board for the 2008-09 year and request additional funds to increase the base funding of the USF medical school. The increase in funds will be used to support the instructional and educational costs of medical education at USF.
- **Unfunded Portion of Year 1 - \$5,725,902:** The legislature funded \$1.7 million of the original \$7.4 million request for 2008-09. This request is for the unfunded portion of the year 1 proposal.

7. Medical School Implementation - FIU - \$10,929,076

- **Restoration of 2007-08 Budget Cuts - \$251,379:** During fiscal year 2007-08, FIU medical school operating budget was reduced by \$251,379. The purpose of this request is to restore the reduction to the school to ensure that accreditation standards will be met.
- **Unfunded Portion of 2008-09 LBR - \$3,615,702:** The 2008-09 budget request (year 2 of the phase-in) was \$9,855,049, however, the Legislature only appropriated \$6,239,347. The purpose of this request is to provide the medical school with the unfunded amount for the additional hiring of faculty and staff, developing curricula and expanding student support and services.
- **Planning Year 3 - \$7,061,995:** This request is to continue the third year implementation of the medical school which includes, but not limited to, hiring faculty and staff, developing curricula and expanding student support and services. 2009-10 will be the inaugural year for 40 students. See Attachment 17 for additional information.

8. Medical School Implementation - UCF - \$10,265,956

- **Restoration of 2007-08 Budget Cuts -\$216,264:** During fiscal year 2007-08, UCF medical school operating budget was reduced by \$216,264. The purpose of this request is to restore the reduction to ensure that accreditation standards will be met.
- **Unfunded Portion of 2008-09 LBR - \$3,757,024:** The 2008-09 budget request was \$8,438,761, however, the Legislature only appropriated \$4,681,737. The purpose of this request is to provide the medical school with the unfunded amount for the additional hiring of faculty and staff, developing curricula and expanding student support and services.
- **Planning Year 3 - \$6,292,668:** This request is to continue the third year implementation of the medical school which includes, but not limited to, hiring faculty and staff, developing curricula and expanding student support and services. 2009-10 will be the inaugural year for 40 students. See Attachment 18 for additional information.

9. Major Gift Matching Program - \$102,045,580

- This is the amount of requests for state matching funds received as of June 30, 2008. This program provides state matching funds to universities for private donations that establish permanent endowments with the proceeds of the investments used to support libraries, instruction, and research programs.
- **Outcome:** Provides support for student scholarships, professorships, and endowed chairs.

10. Base Operating Lottery Funds (Replace 2008-09 N/R Funds) - \$3,311,940

- This request is for the replacement of non-recurring Lottery funds provided during 2008-09 for university salaries and campus operations.
- **Outcome:** Funding appropriated as a result of this request will allow the state universities to continue campus operations and instructional offerings at or near levels established during the 2008-09 fiscal year. Lottery funding has become increasingly important to the state university system in light of projected decreases in general revenue availability.

11. Distance Learning Initiatives - \$1,209,207

- This initiative consists of three components:
 - Statewide initiative & cross-institutional communication - \$359,207. See Attachment 19 for further information.
 - Distance learning catalog - \$100,000. See Attachment 20 for further information.
 - Orange Grove digital repository - \$750,000. See Attachment 21 for further information.

