

Florida Board of Governors 2008-09 Student Focused Budget Overview and Rationale Summary

I. Education and General Core Budget:

Total Incremental Budget Need: \$317.2M

In especially challenging fiscal environments, it is imperative that the actions of institutions are predicated on the protection of what they value most. For the State University System of Florida, the North Star of its decision-making process must point to the question, "What is best for our students?"

The 2008-09 budget was conceived and is characterized by using that question as the initial filter for all fiscal considerations. As such, it is a far more restricted budget than might otherwise have been developed if the State were not facing its current fiscal situation. This request does not include an undergraduate tuition increase; the Board will determine its tuition policy at a later date.

The reformatting of the Education and General Core budget for 2008-2009 will be focused on three issues:

1. Student Success to Meet State Needs,
2. Efficiencies Gained Through Shared System Resources, and
3. The Foundation for a World-Class System.

For purposes of discussion and presentation, we have provided details for initiatives included within each of the above issues. For submission to the Legislature and Governor, however, initiatives identified in 1 and 2 above will not be reflected as separate line items; instead, they will be 'rolled-up' into lump sums reflective of those two issues. We will request that the Legislature provide 'lump-sum' funding, and then the Board of Governors will make allocations to universities from those lump sums. This approach will allow the Board to prioritize the funding of issues, if the Legislature is unable to fully fund a specific Board-approved initiative.

Although multiple initiatives may be rolled into a single issue, details will be available explaining the plans upon which the allocation methodologies have been based for each initiative. For initiatives that do not yet specify allocations by university, institutions will be asked to assist in the development of the allocation methodology prior to the official submission of the budget in October. Allocations will be made in a thoughtful, fair, and reasonable manner. Budget reductions that may be taken by the Legislature during the appropriations process may make it necessary for the Board to adjust initiatives included in this request.

The following summarizes the three issues mentioned above:

- \$240.7M for student-focused initiatives, particularly ones that fulfill the responsibility to students already enrolled in the System and ones that assist the system in preparing the diverse and talented workforce needed for Florida's success in the global economy.

Initiatives would include a performance-based funding program that emphasizes the value to the State of (a) increasing the number of bachelor's degrees awarded; (b) increasing degree production at all levels in targeted areas, including critical-need areas and high-skill/high-wage areas; and (c) increasing bachelor's degrees awarded to students from traditionally underrepresented groups. Other funding would primarily cover services for continuing students and community college transfers, with minimal growth in strategic areas at the graduate level.

Additionally, this would include initiatives specifically for increasing graduates in engineering; funds to provide improved advising and continued support to retain and graduate more students, particularly those from traditionally underrepresented populations (e.g., first-generation students, students with disabilities); funds to support graduate assistants, research assistants, and teaching assistants at a time when our universities are facing increased competition for highly talented graduate students; and funding to go toward a Teaching Excellence Program to reward and retain the best faculty in the SUS at a time when they are especially vulnerable to raiding from other states.

- \$12.7M for specific projects central to the infrastructure and operation of the entire SUS, particularly projects through which efficiencies can be gained by sharing resources system-wide. The request would include funds for such initiatives as the enhancement of the System's shared library resources, moving its press toward top tier status nationally, and the creation of a Florida Initiative for Global Education to enhance study abroad, foreign language instruction, and international business opportunities for Floridians. Additionally, funds would be requested to build the System's capacity to deliver topics, courses, and targeted degree programs online and provide students with the support needed to succeed in this learning environment.
- \$63.7M to maintain the basic and ongoing support needed if Florida is going to have a high-quality university system. These funds support core Educational and General activities and include funds for plant operation and maintenance; university financial and human resource management systems; the final year of funding for NCF, and the final year of funding

for the FAU/UM medical partnership; and funds to support university cost increases.

II. Special Units and State Initiatives:

Total Incremental Budget Need: \$129.4M

This portion of the SUS budget addresses various instruction, research and public service initiatives. Funding is provided for extension and research projects through the Institute of Food and Agricultural Sciences, health services education, centers of excellence, major gift matching program, and other state interests. Additional detail can be found in Attachment IV.