

**BOARD OF GOVERNORS**  
**STATE UNIVERSITY SYSTEM OF FLORIDA**  
September 21, 2006

**SUBJECT:** Disposition of Funds Associated with the State University System  
Research and Economic Development Investment Program

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**PROPOSED BOARD ACTION**

Approve the recommended disposition of funds associated with the State University System Research and Economic Development Investment Program.

**AUTHORITY FOR BOARD OF GOVERNORS ACTION**

Section 7(d), Art. IX, Florida Constitution

**BACKGROUND INFORMATION**

House Bill 1237 created the 21<sup>st</sup> Century Technology, Research, and Scholarship Enhancement Act, of which the State University System Research and Economic Development Investment Program is one of several embedded programs. The Program provides for the allocation of \$45M to three SUS institutions for purposes of providing matching funds to construct and acquire cutting-edge, state-of-the-art science and engineering research facilities and specialized equipment to support research programs, foster economic development, and accelerate Florida's innovation economy. These universities qualify by meeting various performance criteria levels (Level I and Level II) specified in the Bill, which provides a total of \$36.5M funding for Level I institutions, and \$8.5M funding for Level II institutions. HB 1237 requires universities to raise matching funds from nonuniversity sources in order to participate in this program. Revenues appropriated to a university from state general revenue funds, lottery funds, student tuition and fees, and state-funded contracts or grants are not eligible for state match.

It is recommended that the \$45M associated with the Investment Program be allocated and accounted for as follows:

The \$36.5M associated with Level I funding will be divided between UF and FSU. Included in this funding is a \$10M commitment to the Burnham Institute. The \$8.5M associated with Level II funding is to be allocated to USF. USF is to commit these funds to its marine science research program at USF St. Petersburg as part of an agreement with SRI International (founded in 1946 as the Stanford Research Institute).

In requesting state matching funds the university president will submit written verification of 1) the amount of nonuniversity matching funds received, 2) the source of those funds and 3) the university's plan for utilizing these funds. Funds will be released as soon as practical upon receipt and review of this information. UF, FSU, and USF will provide expenditure status reports with respect to these funds in January of 2007.

Elsewhere, HB 1237 allocates \$8M to the University of South Florida for the enhancement of its graduate programs. This funding is already in the process of being distributed to USF to use as it sees fit in order to enhance graduate education programs. USF will provide a status report at the end of this academic year as to its expenditure of these funds.

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**Supporting Documentation Included:** None

**Facilitators/Presenters:** R.E. LeMon, Vice Chancellor, Academic and Student Affairs