

State University System of Florida

Operating Budget Summary

Fiscal Year 2006-2007

2006-2007 OPERATING BUDGET OVERVIEW

Pursuant to Section 1001.75(2) and House Bill 5001, each President has prepared and received approval from their University Board of Trustees for a 2006-2007 operating budget.

The universities have developed their Operating Budgets for each budget entity in accordance with statutory authority, the 2006 General Appropriations Act (GAA), and the information contained in the 2006-2007 Allocation Summary and Workpapers. When developing their operating budget, universities utilized traditional appropriation categories.

Growth is evident in the universities' non-E&G budget entities. Expansion of continuing education initiatives, renovation, expansion, and staffing increases of student residential facilities, improvements to university parking facilities, and equipment replacement for food services to accommodate student growth and demand are examples of increases in the Auxiliary Enterprises

budget entity. The Contracts and Grants entity reflects continued growth associated with additional grants activity for university research and associated projects. Student Activities expenditures are increasing in response to the demands of an expanding student population, including areas such as medical services, counseling, and student union operations.

The Educational and General (E&G) budget entity reflects the allocation of funds appropriated by the 2006 Legislature and previously appropriated trust funds. Effective with the 2002-2003 fiscal year, budget authority for student tuition collected and deposited in the Student Fee Trust Fund and various other trust funds was no longer appropriated in the GAA, leaving only four sources of funding in the GAA: General Revenue, Educational Enhancement Trust Fund (Lottery), Major Gifts Trust Fund, and the Phosphate Research Trust Fund. However, beginning with the 2005-2006 fiscal year, the Legislature began once again appropriating student tuition in the Student Fee Trust Fund and has done so for 2006-07.

The E&G Operating Budget reflects growth in university enrollment. Funded enrollment for 2005-2006 was 181,789 full-time equivalent (FTE) students and medical professionals, while 2006-2007 funded enrollment is 189,443 FTE students and medical professionals. This reflects an increase of 7,654 FTE students. This increase in funded FTE students is supported by resources for 2006-2007 enrollment growth, continued implementation of the FIU law school, final year of start-up funding for the FAMU law school and FSU College of Medicine, additional FTE for the UF Veterinary Medicine Program, and implementation of new masters and doctoral programs in nursing.

Universities have employee position and budget flexibility in the development of the E&G Operating Budget.

Fiscal year 2006-2007 budget highlights include: Legislative appropriation of \$22,195,320 to assist with the increased cost of university operations (funded from a 3% student tuition and fee increase), while \$20,745,221 in general revenue funding is also provided to offset the increasing costs for utility services based on information provided by utility providers and the Florida Public Service

Commission. Additional general revenue support is also appropriated to offset the loss of tuition and fee revenue that is the result of the percentage of out-of-state students declining and the percentage of in-state students increasing.

The Legislature continues to fund the SUS Challenge Grant program, with \$64,167,915 made available for state matching of private donations during 2006-07. The Florida State University Medical School received an appropriation of \$8,775,000 for 2006-07 to aid in the establishment of additional clinical training sites throughout the state.

The E&G budget entity contains \$103,750,000 in non-recurring funds for various university projects.