

State University System 2007-2008 Legislative Budget Request Development Board of Governors Policy Guidelines

Pursuant to Section 7, Article 9 of the Florida Constitution the Board "...shall operate, regulate, control, and be fully responsible for the management of the whole university system." Included within this responsibility is the development of a Legislative Budget Request (LBR). In addition, Section 1001.74(12), Florida Statutes, requires the universities' Boards of Trustees (BOT) to submit an institutional budget request based on the guidelines established herein. Section 216.023(1), Florida Statutes, requires the submission of a legislative budget request to the legislature and governor based on an independent judgment of needs.

The 2007-2008 LBR shall be need-based and will provide flexibility for the Board of Governors (BOG) and universities' Boards of Trustees to jointly manage the System to meet the critical needs of the state, achieve the statewide goals and objectives of the State University System (SUS) Strategic Plan, address specific institutional issues, and demonstrate accountability/ justification. The following goals and objectives of the SUS Strategic Plan will be addressed in the request:

1. Access to and production of degrees
2. Meeting statewide professional and workforce needs
3. Building world-class academic programs and research capacity
4. Meeting community needs and fulfilling unique institutional missions

These system goals and objectives, as well as institutional influences, should be incorporated into the following priorities, which will be reflected in the LBR:

Operating Funds:

1. Continue costs associated with existing programs – This policy addresses the funds needed to continue existing programs.
 - a. Annualization of Administered Funds – Funds will be requested for the annualization associated with the 2006-2007 change in employee salary and benefits, if appropriated by the 2006 Legislature.
 - b. Major Gift Program – Funds will be requested to continue support at 100% for the Major Gift matching program.
 - c. Plant operations and maintenance for continued and new space –
 - i. Funds will be requested for the annualized operations and maintenance costs for buildings completed and phased-in during 2006-2007;

- ii. Funds will be requested for the operating costs for new buildings to be completed and occupied in 2007-2008.
 - d. A recommendation will be made that universities continue to be included in administered funds and that additional salary compensation will be requested for faculty and staff.
 - 2. Access to and Production of Degrees – In order to increase access to the SUS and the production of degrees, funding for the following will be requested:
 - a. Enrollment growth – The five-year enrollment plan will be updated in 2006. The new funding model adopted by the Board at the May 2004 meeting will be used to request enrollment growth which reflects the goals and objectives of the SUS Strategic Plan.
 - i. The Board, working with the universities, will base university enrollment growth upon such considerations as high school graduates, community college transfer and enrollment patterns; lower level flow-through; demographic trends; applications, admissions, and enrollment trends; and actual enrollment performance.
 - ii. The Board will request enrollment growth for universities which the Board concludes, on the basis of all available evidence, will meet planned degree award targets (goals).
 - iii. Enrollment growth will be consistent with the Board's approved long-range enrollment and degree award plans.
 - b. FAU Medical Partnership with UM – Funding of \$2.6 million will be requested for the continued phase-in of this program.
 - c. Critical Workforce Shortages – Programs and funding requests will continue to be developed to address shortages in critical state workforce areas. In 2006-07 approximately \$40 million was requested for NET Gain. This issue will be considered for continued implementation.
 - 3. World-class Academic Programs and Research Centers – Funding will be requested to continue the development of nationally and internationally preeminent academic programs and model research centers.
 - a. NCF Academic and Administrative Start-up Support – Funding of \$1.8 million will be requested for the second year of this three year request.

4. To assure an equitable LBR, each university will receive a sum to distribute among the specific issues that each UBOT wants to include in the LBR for community needs, institutional mission or other Strategic Plan goals and objectives. This sum will be based on 8% percent of the 2006-2007 recurring general revenue and lottery appropriation provided by the 2006 Legislature. Each university will develop issues that address the SUS Strategic Plan.

The following represents the timeline for submission of the SUS 2007-2008 LBR for operations:

- March: The Board of Governors approves the operating LBR Policy Guidelines
- April: Chancellor provides technical instructions and requests Boards of Trustees/Universities to submit their operating LBR issues
- June: Boards of Trustees/Universities submit operating LBR issues to Chancellor
- July: Board of Governors' staff reviews and prepares operating LBR; Continue discussions with universities
- August: Board of Governors approves the operating LBR
- September: SUS operating LBR is transmitted to the State Board of Education for inclusion with the K-20 LBR
- October: LBR is submitted to the Governor and Legislature

Fixed Capital Outlay Funds:

1. PECO funding for Remodeling/Renovation/Maintenance/Repair will be requested pursuant to the provisions of Section 1013.64(1)(a), Florida Statutes.
2. Funding will be requested for institutional PECO projects in the following priority order:
 - a. Continuation of funded projects included on the Board of Governors adopted three year list (Other funded projects will require additional review.).
 - b. Utilities Infrastructure/Capital Renewal/Roofs needs.
 - c. Renovation and remodeling projects to meet current space needs, structural/mechanical repairs, and technology upgrades that are in accordance with Section 1013.64(4)(a), Florida Statutes.

- d. Requests to increase the amount of initial construction funding for an existing project on the three year PECO list.
 - e. Instructional, then research, followed by support space needs to include projects that will bring each university to the system average percentage of formula need.
 - f. Projects to provide specialized space for a newly approved academic program.
 - g. Land acquisition in accordance with University Board of Trustees adopted master plans.
 - h. Matching external funds from non-private sources.
3. Special consideration and emphasis will be given to proposed joint-use PECO projects that meet the requirements of Section 1013.52, Florida Statutes.
 4. State matching funds for the facilities enhancement matching program will be requested for eligible projects as proposed by the universities that meet the requirements of Section 1013.79, Florida Statutes.
 5. Required legislative authorizations will be requested for externally funded projects as proposed by the universities.

The following represents the timeline for submission of the SUS 2007-2008 Fixed Capital Outlay LBR.

- March: The BOG approves the LBR Policy Guidelines
- May: Chancellor provides technical instructions and requests universities to submit their Five-Year Capital Improvement Plans to include proposed projects and authorizations.
- August: Universities' BOT submit Five-Year Capital Improvement Plans
- September: BOG approval of the Fixed Capital Outlay LBR
- October: Fixed Capital Outlay LBR is submitted to the Governor and Legislature
- December: Universities submit amended Fixed Capital Outlay requests to BOG
- January: BOG approval of amended FCO requests
- March: If necessary, potential PECO amendments to reflect March PECO Revenue Estimating Conference allocations