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The Chair, Carolyn K. Roberts, convened the meeting of the Board of Governors in the Cape Florida Ballroom, Student Union, University of Central Florida, Orlando, Florida, at 2:10 p.m., June 22, 2006, with the following members present: John Dasburg, Vice Chair; Jorge Arrizurieta; Ann Duncan; Charles Edwards; Frank Harrison; Dr. Stanley Marshall; Frank Martin; Sheila McDevitt; Lynn Pappas; Ava Parker; Dr. Martha Peláez; Tico Perez; John Temple; Commissioner John Winn; and Dr. Zach Zachariah.

1. Call to Order and Chair's Report

Mrs. Roberts thanked President Hitt and his staff for their warm hospitality. She said it was always a pleasure to come to UCF. She recognized Representative Mealor in the audience.

Representative Mealor said he was pleased that this Board and members of the Legislature came together this past Session with some bold initiatives. He said he was sure that economic development in the State would be advanced through the enhanced funding to the State University System. He said Representative Rubio had challenged the Board of Governors to come up with bold and innovative ideas. He extended his thanks to members of the Board for their hard work.

Mrs. Roberts welcomed Mr. Frank Harrison to the Board as the new Chair of the Florida Student Association. She said he was a senior at the University of South Florida majoring in history.

Mrs. Roberts thanked Chancellor Rosenberg and the Board staff for the accomplishments of this last Legislative Session. She said all had worked very hard. She said the Board could be well-pleased with the Session results. She also extended thanks and appreciation to Governor Bush for his support of the Board and the State University System. She thanked several Board members for their work in generating legislative support for new programs/funding: to Ms. McDevitt for the First Generation Matching Grant Program, and to Ms. Duncan who would be chairing the Economic Development Committee and working with the 21st Century Scholars and Centers of Excellence initiatives. She also thanked the legislative leadership, particularly Senate

President Tom Lee and House Speaker Alan Bense, for their support of the System's issues.

Mrs. Roberts said the Board's strength was as a System. She encouraged the universities to work together; there were rewards to be had by all the universities. She added that there should be penalties for failure to participate with the team. She said the Board needed to have a process which would be effective such that the Presidents and the University Boards of Trustees could realize their priorities in the budget and with the PECO lists. She said she recognized that Session was fast-paced and fast-changing, and that priorities might change, nevertheless, it was critical that the universities lobby together as a System. She said this topic would need further discussion, as this was a very serious topic. She said she continued to be very proud of this Board and its commitment to the State University System.

Mrs. Roberts noted that the Strategic Planning Committee had earlier discussed the request from Florida Gulf Coast University to offer lower level courses away from the main campus. She said this request raised a number of related issues which had been discussed by the Committee. She emphasized that this Board was committed to access for Florida's citizens to a high quality education. The map of Florida showing the location of campuses, branch campuses and instructional centers demonstrated the SUS presence throughout the State.

She reported that she had asked Mr. Edwards to work with the Board's General Counsel, Ms. Vikki Shirley, on a process by which this Board would review and make its appointees to the University Boards of Trustees. She invited Board members to send their thoughts on an appointments process to the Chancellor. She said she had also asked Mr. Perez to review the Statement of the Board's Powers and Duties, adopted by the Board in October 2003. She said this document had been written primarily by the Board's Vice Chairman at the outset of this Board's tenure; much had changed since then. She thanked Board members for their continued commitment and energy.

Mrs. Roberts said Representative Rubio was planning a statewide policy summit, "100 Innovative Ideas for Florida's Future," to be held in Orlando, August 10-11, 2006. To facilitate attendance by Board members, Mrs. Roberts said UCF had agreed to host the August 10, 2006, meeting of the Board.

2. Recognition: Dr. Martha Peláez; Mr. Joe Goldberg

Mrs. Roberts said that both Dr. Peláez and Mr. Goldberg had been dedicated Board members during their terms. They had dealt with some difficult issues this past year. She invited them to join her at the podium, where she read Resolutions, signed by all the members of the Board. She read the following Resolution:

WHEREAS, Martha Peláez has provided outstanding service to the State of Florida as a member of the Board of Governors, State University System of Florida, in her capacity as the Chair of the Advisory Council of Faculty Senates, from August 2005 to July 2006; and

WHEREAS, Dr. Peláez has been a dedicated member of this Board who has given voice to the issues important to the faculty in the State University System and has brought an important perspective to the deliberations of this Board; and

WHEREAS, Dr. Peláez has served as a member of the Board of Governors during a critical year when the Legislature and the Board came to recognize and value the important roles to be played by both bodies; and

WHEREAS, during her tenure on the Board, Dr. Peláez participated in an historic decision for this Board and for her own institution, and was able to vote to affirm the addition of two new medical schools to the State University System, at Florida International University and at the University of Central Florida; and

WHEREAS, Dr. Peláez has now completed her service as the Chair of the Advisory Council of Faculty Senates, and will now yield her seat on this Board to her successor; now therefore

BE IT RESOLVED that the members of the Board of Governors, meeting in the Cape Florida Ballroom of the Student Union, on the campus of the University of Central Florida, in Orlando, on this twenty-second day of June, 2006, do hereby commend Martha Peláez for her contributions to the State University System; and

BE IT FURTHER RESOLVED that a copy of this resolution be included in the Minutes of the meeting, and the resolution be presented to Dr. Peláez as a token of the Board's appreciation and thanks.

Dr. Peláez thanked all the Board members for this interesting year. She also thanked Chancellor Rosenberg and his staff. She said their dedication to this Board and to the State University System was truly gratifying. She said she had learned a great deal as the representative of the Faculty Senates to this Board. She said she was pleased the Board had begun to exert its Constitutional authority for the universities.

She said she had been pleased to serve as a member of the Chancellor Selection Committee and to work on the criteria for the position. She said the Board had selected the best Chancellor for the System in Mark Rosenberg. She congratulated Ms. McDevitt and the Governor's Access and Diversity Commission for the funding successes for the First Generation Matching Grant Program and need-based financial aid initiatives. She thanked Mr. Maxey for accompanying her on visits with Legislators to discuss

academic freedom, university access and funding needs. She said it had been especially exciting to have served on the Board as it made the decision to add new medical schools at FIU and at UCF. She said these new schools were critically needed in Florida. She indicated she would continue to serve as a member of the Articulation Coordinating Committee in the Department of Education, which served as a reminder of the seamlessness of education in Florida. She noted that the Board faced many challenges, especially the diminishing financial support for the universities.

She extended special thanks and congratulations to Mrs. Roberts for her success advocating for the universities in the Legislature. She thanked Mrs. Roberts for her interest in faculty issues. She said her successor on this Board, Dr. Arlen Chase, would do a great job. She reminded Board members of the need to continue to attract outstanding faculty to the SUS. She said she left feeling very cheerful about the Board's future.

Dr. Arlen Chase presented Dr. Peláez a gift from the ACFS with their great thanks and appreciation for her excellent service.

Mrs. Roberts read the following Resolution for Mr. Goldberg:

WHEREAS, Joe Goldberg has provided dedicated service to the State of Florida as the representative of the Florida Student Association on the Board of Governors, State University System of Florida, from January 2006 to June 2006; and

WHEREAS, Mr. Goldberg has been an effective member of this Board and has used his position to encourage discussion and interest in the issues affecting students in the State University System, and to inform Board members on these topics; and

WHEREAS, there are few guidelines for the student member of the Board of Governors, nevertheless, Mr. Goldberg has displayed an understanding of the issues and the areas in which this Board can offer leadership and vision for all the universities in the System, and has reminded the Board of its responsibilities to the 287,373 students enrolled in Florida's public universities; and

WHEREAS, during his tenure on the Board, Mr. Goldberg participated in an historic decision for this Board and for this State, and was able to vote to affirm the addition of two new medical schools to the State University System, at Florida International University and at the University of Central Florida; and

WHEREAS, Mr. Goldberg has now completed his service as the Chair of the Florida Student Association, and will now yield his seat on this Board to his successor; now therefore

BE IT RESOLVED that the members of the Board of Governors, meeting in the Cape Florida Ballroom of the Student Union, University of Central Florida, in Orlando, on this twenty-second day of June, 2006, do hereby commend Joe Goldberg for his contributions to the State University System, and do wish him well; and

BE IT FURTHER RESOLVED that the resolution be presented to Mr. Goldberg as a token of the Board's appreciation and thanks.

Mr. Goldberg thanked members of the Board for this Resolution. He said he felt blessed and humbled by his service on this Board, especially since only one student had this opportunity. He reported that he had learned a great deal about medical education during the debate this year on new medical schools. He said he particularly enjoyed the interaction with his Board colleagues. He extended his personal thanks to several individuals: to Dr. Rosenberg for his caring and understanding; to Mr. Perez for serving as his "mentor" and for his friendship; and to Mrs. Roberts for her great service to the State and for having her "fingers on the pulse" of the issues of the State and the State University System.

3. Election of Board Officers, Chair and Vice Chair

Mrs. Roberts said the Board's Powers and Duties provided for the biennial election of Board officers. She said the floor was open for nominations for Chair of the Board. Mr. Dasburg nominated Carolyn Roberts for Chair of the Board for another two-year term. He said her dedication and tireless efforts on behalf of this Board were truly remarkable. He said she worked 20 to 40 hours each and every week on the work of this Board and the University System, and had the respect and support of all the members in her efforts. Ms. Duncan seconded the motion. Mr. Perez moved that the nominations be closed. Dr. Marshall seconded the motion, and members concurred unanimously. Members concurred unanimously in the re-election of Mrs. Roberts as Chair of the Board for another two-year term, beginning July 1, 2006.

Mrs. Roberts thanked her colleagues. She said the State University System had played a very important role in her life, and she was honored by the support of her colleagues.

Mrs. Roberts invited nominations for Vice Chair. Ms. Pappas said she was pleased to nominate Ms. McDevitt to serve as Vice Chair. She said that as Chair of the Governor's Access and Diversity Commission and as Chair of the Board's Student Affairs Committee, Ms. McDevitt had demonstrated outstanding leadership skills. She noted that she and Ms. McDevitt had been appointed at the same time and shared their initial Board meeting in January 2004. Mr. Edwards seconded the motion.

Commissioner Winn said he believed a number of Board members were dedicated and qualified to serve this Board. He nominated Dr. Zachariah to serve as Vice Chair. He said he had seen his commitment to the highest principles of education and his thoughtfulness and dedication to the issues of the State University System. He said Dr. Zachariah was passionate about his interests and was willing to serve. Mr. Arrizurieta seconded the motion. Mr. Edwards moved that the nominations be closed. Mr. Perez seconded the motion, and the members concurred.

Dr. Marshall said it would be helpful to hear from the candidates about their vision for the Board and for the SUS. Ms. McDevitt said she was honored to be nominated. She said she was a strong advocate of Florida's educational system at all levels. She said the focus of her community service had been higher education, in the private sector for St. Leo University and in the public sector, FSU's College of Law. She said she had spent countless volunteer hours on behalf of these institutions. She said this past year, as Chair of the Access and Diversity Commission, she had gotten a better understanding of the many complex issues in the State University System. She said these would become more and more difficult to address as dollars became more limited. She said the universities would need to increase their efficiencies as they sought funds outside state appropriations. She noted that dollars would drive every Board decision. She said she did not really take vacations, and her professional career was now winding down. She said this was a good time to do other things, and she wanted to spend her extra time working to make the State University System better. She said she believed that her background and professional experience would bring value to her service as Vice Chair.

Dr. Zachariah said the Board of Governors was a great organization charged with addressing many issues for the state's universities. He said at some point, the Board should assert its Constitutional authority to set tuition. The Board had not yet come to grips with its authority. He said the Board also needed to review the roles of the University Trustees to be sure they understood their duties and responsibilities. He suggested the Board members engage in meaningful dialogue with the Trustees so as to minimize the controversies between this Board and the University Boards of Trustees. He said he had spent a great deal of time in public service, including service on the Board of Medicine for eight years and as its Chair for three years. He said he had had to make tough decisions on that Board, as well. He said he had great respect for the State University System and would be honored to serve in a leadership position.

In response to a question about the use of a private ballot for the election, Mrs. Roberts advised the members that as a public body, their votes needed to be "in the sunshine. Following a show of hands for Ms. McDevitt, Dr. Zachariah moved that the selection of Ms. McDevitt as Vice Chair be by acclamation. Mr. Perez seconded the motion, and members of the Board concurred unanimously.

Ms. McDevitt thanked her colleagues. She said she hoped to serve them and the SUS well.

4. Approval of Minutes of Meeting held April 27, 2006

Mr. Edwards moved that the Board approve the Minutes of the meeting held April 27, 2006, as presented. Ms. Duncan seconded the motion, and members of the Board concurred.

5. Chancellor's Report

Dr. Rosenberg thanked all the Board members for their commitment to public service, and Mrs. Roberts and Ms. McDevitt for their willingness to take on leadership roles. He said he had attended a number of graduations this spring, and was busy this summer with a variety of system projects and with meeting Legislators in their home districts. He said the universities were engaged in an array of summertime activities. FGCU was running a "money game" for fifth graders and higher, teaching these students how to run a business and the art and science of business and commercial activity; at FIU, a faculty member had given \$200,000 to create scholarships for students from Haiti to study at FIU; FAU planned to stage a "Fabulous Fourth Celebration" with a staging of *Oklahoma!* by FAU students in conjunction with the celebration of Independence Day. He commented that more than 176,000 students were taking classes at the universities this summer.

He reported on a series of meetings. He had met with the Provosts to develop an understanding of the system challenges they could address as a group. He had also met with the University Presidents. He said the State University Presidents Association had been reconstituted as the Chancellor's Advisory Council. The goal for all these groups was to foster better relations with the Legislature and achieve System objectives of providing access to students while maintaining quality. He said it was difficult to keep the university doors open for students with continued shortfalls in funding.

He said the Board continued to monitor the universities' accreditation process with SACS. He said UCF was currently in the midst of its re-accreditation process; FAMU was scheduled for 2008; UNF and New College were scheduled for 2009.

Dr. Rosenberg publicly thanked an employee of the Board's Information Resource Management team, Mr. Chip Mitchell, for his outstanding service to the Board of Regents and to this Board since 1997. He said Mr. Mitchell had served the Board Office as a network engineer. He said he would retire at the end of June with 30 years of service, and planned to write a book and open his own business in "retirement."

6. Commissioner's Report

Commissioner Winn thanked Mrs. Roberts and Ms. McDevitt for offering their time and commitment to serve as the Board's leadership team. He said Governor Bush and he had announced students' FCAT scores at the end of May and school "grades" the previous week. He said this year had been the best ever in student achievement in reading and writing, and the first year of reading and math improvements in the middle schools. He said the data also showed improved reading scores for ninth graders. He noted that there were no such improvements in the numbers nationally.

Commissioner Winn also reported that the State Board of Education had adopted a rule that aligned requirements for teacher certification with program requirements for teacher preparation in the Colleges of Education. This would give students more flexibility in the curriculum. The State Board had also adopted a rule on mid-life teacher certification for people entering the teaching profession following earlier careers.

He commented on a recent survey of teacher pay that had numerous glaring mistakes. He pointed out that the survey had failed to report that Florida paid 100 percent of teachers' retirement benefits and that Florida had no state income tax.

The Commissioner also described the legislation allowing high school students to choose majors. He explained that the legislation freed up some required electives for high school students to allow them to pursue special interests. He said this would give students the opportunity to obtain greater competencies in a particular area of interest.

Last, he reported that the U.S. Department of Education had approved Florida's proposal for Academic Competitiveness grants. Additional financial aid would be made available to high school students who had taken a rigorous high school curriculum, e.g., Bright Futures coursework and Advanced Placement or International Baccalaureate courses. The grants would provide additional financial aid of up to \$750 during the freshman year and up to \$1300 during the sophomore year.

7. Consideration of Appointments, University Boards of Trustees

Mrs. Roberts said that each University Board had five Trustees appointed by this Board. She said that the Board had made these appointments at the January 26, 2006, Board meeting. The appointments included in this Agenda were not acted upon by the Senate during the 2006 Session. She said it was the intent of this Board to have these Trustees continue to serve as University Trustees. Their paperwork would be resubmitted for consideration during the 2007 Legislative Session.

Ms. Duncan moved that the Board make the appointments of University Trustees, as presented. Mr. Edwards seconded the motion, and members of the Board concurred.

8. Legislative Update

Mr. Maxey provided a brief overview of the Legislative Session which ended on May 5, 2006. He said the Board and the University System had had a successful Session and he thanked members of the House and Senate for their support. He said the universities had received a generous PECO allocation, totaling \$515.8 million after the Governor's vetoes. He reported that the Board had been successful on issues of tuition flexibility and university and direct support organization bonding; the Board had not been successful on issues of governance and the technology fee, as there had been too many issues which could not be resolved. He said the Legislature had also passed the First Generation Matching Grant Program, which had been recommended by Ms. McDevitt's Student Affairs Committee and the Access and Diversity Commission.

He reported that the Board had requested \$3.42 billion in its Budget Request; \$3.36 billion had been appropriated. The Legislature had not fully funded the Board's \$88 million request for enrollment growth; the Legislature had provided \$54.5 million. Mrs. Roberts said the Board should use the Commissioner's numbers of successful students and their likely path to college to demonstrate the SUS need for enrollment funding. Mr. Maxey said material in the Agenda showed the Board's request for PECO funding; the Board's revised request submitted on March 23, 2006; projects not funded, or partially funded; and projects vetoed. He said the Legislature funded the Board's request to cover cost overruns from PECO, and not from General Revenue as the Board had requested. He added that projects totaling \$53.6 million were added to the PECO list that were not recommended by the Board of Governors.

Ms. Pappas congratulated Mr. Maxey on the successful Session. She said, however, that she was concerned about a disconnect as to how funding issues were prioritized, about priorities the Board was trying to accomplish versus what the Legislature or individual Legislators wanted the SUS to do. She said the issue of the budget process and the approach to the budget process was an issue worth a discussion with representatives of the University Boards of Trustees, members of this Board and the legislative leadership. She said the Board seemed to have been unsuccessful in prioritizing its projects across the System, and something better was needed. Mrs. Roberts concurred that this had to be done, although she said she did not yet know quite how that would be done. Mr. Dasburg said the Board needed some type of leverage; without leverage, there was no reason for the process to change.

Mr. Edwards said the issue of priorities needed to be addressed. He said the University Boards of Trustees had their priorities; this Board had its priorities. At some point, the Board needed to determine its powers and its proper authority, and define the roles for the Trustees, the Board of Governors, the Legislature and the State Board of Education. Mrs. Roberts said most of the issues between the State Board and the Board of Governors had been resolved. She said issues relating to the Legislature and tuition were not clearly resolved, nor were issues relating to this Board and its relationship with the University Trustees.

Mr. Dasburg said the Board needed to know its leverage point, either the Board had the authority or it did not. He recommended that the Chair appoint a Committee to define the authority of this Board, what the Board would do and how far it would go with that authority. Mrs. Roberts said she would discuss this with the Board's General Counsel, Ms. Shirley.

9. Status Report, Emergency Management Task Force

Chancellor Rosenberg said he had appointed an Emergency Management Task Force to develop recommendations for a more comprehensive system approach to meeting the emergency management challenges of the universities. He said he had asked Dr. Sandra Flake, Provost, University of West Florida, to chair the Task Force.

Dr. Flake said the Task Force had been charged to determine SUS preparedness for hurricanes and other emergencies, such as pandemics and acts of terrorism. The Task Force had reviewed the universities' Emergency Operation Plans and Continuity of Operations Plans. All the universities were required to meet National Incident Management System compliance by the end of September. She said the Task Force was considering a series of recommendations, including procurement agreements across the System to ensure best price and service for post-storm activities. She said the Task Force had recommended that each institution dedicate a fulltime position to emergency management to anticipate and respond to emergencies, to ensure the safety and welfare of the university community and its facilities, and to coordinate emergency response with federal, state and local officials.

Dr. Flake reported that it took an average of one year before the universities received their first payments to cover hurricane damage, commenting that FIU had still not received any payment for the hurricane damage suffered in Fall 2005. Over the past two years, the seven hurricanes hitting Florida had cost the SUS approximately \$47.2 million, and had caused a total of 116 days of closure. Of the \$47.2 million spent in hurricane repair and recovery, the universities had been reimbursed almost \$14 million from FEMA and insurance. The universities were spending operating funds on hurricane repair. She said the Task Force recommended the creation of an Emergency Management Trust Fund which would allow the universities to access funds immediately and get damaged facilities back into operation. The universities would

return funds once they received insurance money and FEMA disbursements. This would ease current cash flow problems.

Ms. Duncan inquired how the universities were building new structures and designing these structures. She commented that the universities should not be rebuilding the same structures that had been storm-damaged. Dr. Flake responded that rebuilding was difficult because insurance did not cover replacement. Ms. Parker said the Facilities Task Force was exploring best practices and ways to use available funds in the best way. Ms. Pappas inquired about emergency coordination with the local communities. Dr. Flake said that these varied across the state, but that there was generally good integration with community plans; these discussions were ongoing.

Mrs. Roberts thanked Dr. Flake and the members of the Task Force for this important report. She said she looked forward to receiving the final report.

10. Consideration, Proposed Amendment of Regulation 6C-10.001, Self-Insurance Programs

Mr. Edwards moved that the Board approve the amendment to Regulation 6C-10.001, Self-Insurance Programs, previously reviewed by the Board and posted to the website, pursuant to the Board's Regulation Development Procedure. Mr. Perez seconded the motion, and members of the Board concurred.

11. Consent Agenda Items

- A. Approval of Faculty Practice Plan, FSU College of Medicine and Amendment to Regulation 6C-9.017, Faculty Practice Plans

Mr. Dasburg moved that the Board approve the Faculty Practice Plan for the Florida State University College of Medicine, and approve an amendment to Regulation 6C-9.017, Faculty Practice Plans, for publication on the Board's website, pursuant to the Board's Regulation Development Procedure, as presented. Mr. Edwards seconded the motion, and members of the Board concurred.

- B. Request to Offer B.S., Environmental Engineering, in Excess of 120 Credit Hours, FIU

Mr. Edwards moved that the Board approve the Bachelor of Science in Environmental Engineering, CIP 14.1401, at Florida International University, to be 126 hours to degree, as presented. Dr. Peláez seconded the motion, and members of the Board concurred.

- C. Limited Access Status for the Exercise Science Track, B.S., Physical Education, USF

Mr. Dasburg moved that the Board approve Limited Access Status for the Exercise Science track within the Bachelor of Science in Physical Education, CIP 13.1314, at the University of South Florida, as presented. Mr. Edwards seconded the motion, and members of the Board concurred.

12. Status Reports/Action Items, Board Committees

- A. Economic Development Committee

Ms. Duncan said the Economic Development Committee had a good inaugural meeting. She said the Committee had discussed the new Florida Technology, Research and Scholarship Board, which was charged to recommend criteria to the Board for the 21st Century World Class Scholars Program and to provide guidance to the Board on the implementation and administration of the Centers of Excellence Program.

She reported that the Committee had also discussed ongoing initiatives for the Committee including creating a rationale and common ground regarding the economic impact of the SUS in the state, and the economic development value of the universities' role in solving the state's critical problems. The Committee had also discussed the importance of building relationships with the economic development agencies in the state, e.g., Enterprise Florida, in job creation and in bringing new business to the state. She said all the universities could be involved in these activities through their Small Business Development Centers.

- B. Strategic Planning/Educational Policy Committee; Request to Offer Lower Level Coursework at Off-Campus Sites, FGCU

Mr. Dasburg said the Committee had heard a presentation from Dr. Marshall on his report, "Preparing Quality Teachers in the State University System: A Critical Need," and his proposal for a stimulus to the supply of students into teacher education. He said Dr. Marshall had agreed to continue championing this project, improving the demand for teacher education at the universities, and serving as the liaison with the State Board of Education and various Foundations interested in education issues.

- Request to Offer Lower Level Coursework at Off-Campus Sites, FGCU

Mr. Dasburg said the Committee had also heard the request from Florida Gulf Coast University to offer lower level coursework at off-campus sites. The Committee had approved the request. He moved that the Board approve the request of Florida Gulf Coast University to offer lower division coursework at off-campus instructional sites within its service area as a two-year pilot program, provided that offerings at any off-campus site do not exceed 50 percent of a lower division experience. Mr. Temple seconded the motion, and members of the Board concurred.

Mr. Dasburg reported that the Committee had also received a status report on the large strategy project. The staff was interviewing for consultants to lead the Board on an investigation of the structure of the University System. The report was expected in November of this year, and was expected to embrace a 25-50 year approach answering questions about how many universities there should be in Florida, where they should be, the interrelationships with community colleges and other higher education institutions, and expansion of the universities through branch campuses and other vehicles. He said that whoever was selected as the consultant on this project would discuss it with the University Presidents. He said that copies of the proposal for the consulting engagement had been distributed.

C. Student Affairs Committee; Delegation of Tuition and Out-of-State Fee Authority for 2006-2007

Ms. McDevitt said the Student Affairs Committee had had its last joint meeting with the Governor's Access and Diversity Commission. The members had reviewed the final report. She said the recommendations covered all the issues the Committee/Commission had discussed over the past six months. She said she was pleased that they had been successful in the Legislature with the Commission's initiatives. She reported that the SUS had received more than 60 percent of the funding requested for need-based aid programs. She said they had also been successful in getting legislation creating the First Generation Matching Grant Program, which had been funded at the full amount requested for this year, \$6.5 million. Each university would have to raise matching funds for the program.

She said the Committee had also discussed a timetable for implementing the recommendations. The final report of the Committee/Commission would be delivered to the House, Senate, Governor and Board members. She said the Student Affairs Committee would continue to discuss how best comprehensively to develop access programs so students were prepared to enroll in the State University System.

- Delegation of Tuition and Out-of-State Fee Authority for 2006-2007

Ms. McDevitt said that as the Student Affairs Committee, the members had approved the delegation of authority to set tuition and out-of-state fees for 2006-2007 to the University Boards of Trustees, as presented in the agenda item, for undergraduate tuition; and for graduate, graduate professional and non-resident tuition and out-of-state fees for students enrolled prior to the fall of 2006, and for these students enrolled beginning in the fall of 2006. She said there was a disconnect in the legislative provisions relating to university tuition, and the Committee had decided to adopt the recommended fees, as the Legislature had provided. She said the Committee had engaged in a lively discussion about the authority to set fees. She said that, in the end, the Committee had adopted the proposal to delegate the authority to the Trustees, as the Legislature had proposed. She noted that the Board members had been advised that the University Boards had already acted on tuition for Fall 2006. She said that Board members continued to be concerned about legislative direction on tuition, and that they would continue to look at this issue through discussions of the Legislative Budget Request.

Ms. McDevitt moved that the Board delegate the authority to set tuition and out-of-state fees for 2006-2007 to the University Boards of Trustees, within the following parameters: undergraduate tuition, maximum of \$73.71 per credit hour; graduate, graduate professional and non-resident tuition and out-of-state fee increases for students enrolled prior to the fall of 2006 shall not exceed five percent over 2005-2006 rates; graduate, graduate professional and non-resident tuition and out-of-state fee increases for students enrolled beginning in the fall of 2006 shall not exceed 10 percent over 2005-2006 rates; and neither the tuition nor out-of-state fee may be lower than the rate in effect for 2005-2006. Mr. Perez seconded the motion, and members of the Board concurred, with Mr. Dasburg voting no.

Mr. Temple said he wanted to be clear that the Board had the authority to set tuition as a result of the Constitutional Amendment, not by virtue of any delegation from the Legislature.

Mrs. Roberts commented that the University Boards ought not to adopt tuition and fees until action was taken by this Board. President Genshaft asked that the Board schedule its meeting to address tuition early enough so students and families had the time to plan for any increases. Mr. Dasburg moved the motion suggested by the Chair. Mr. Perez said he did not want to adopt any action that would hamper university planning, and that any Board motion should include some

drop-dead date by which the Board would act or the universities could take the necessary action. Mr. Dasburg suggested the sense of the motion that the Board would delegate the authority to set tuition to the University Boards of Trustees, following some period of days after the Governor has acted or the veto period has expired, and within some period within which this Board could reasonably take action. He said the sense of this motion was that the universities could not act upon tuition until after this Board had acted. Mr. Perez seconded the sense of this motion, and members of the Board concurred.

D. Performance and Accountability Committee

Mr. Edwards said the Committee had had a good discussion of accountability in the State University System. Mr. John Carnaghi, Vice President for Administrative Affairs, FSU, had presented an excellent report from the Council for Financial and Administrative Affairs on systemwide best practices in financial matters. Mr. Edwards said he had described possible savings in excess of \$100 million. The Committee would continue these discussions.

13. Adjournment

Having no further business, the Chair adjourned the regular meeting of the Florida Board of Governors at 4:00 p.m., June 22, 2006.

Carolyn K. Roberts,
Chair

Mary-Anne Bestebreurtje,
Corporate Secretary