

**BOARD OF GOVERNORS
STATE UNIVERSITY SYSTEM OF FLORIDA
August 10, 2006**

SUBJECT: 2007-2008 State University System and Board of Governors' Operating Legislative Budget Request (LBR)

PROPOSED BOARD ACTION

Approve a 2007-2008 operating LBR for the State University System.
Approve a tuition policy for 2007-2008.
Approve a 2007-2008 LBR for the Board General Office.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Subsection (d) of Section 7 of Article IX, Education, of the Constitution of Florida as amended

BACKGROUND INFORMATION

Annually, the Board of Governors must prepare and submit a State University System (SUS) Legislative Budget Request for state appropriated operating funds and a General Office budget request. Both budgets must be reviewed and recommendations made on the issues to be included in the 2007-2008 LBR.

On March 23, 2006, the Board of Governors adopted the 2007-2008 LBR Guidelines. The Guidelines departed from past practice and limited the universities submission of LBR issues to no more than 8% of their recurring 2006-2007 state appropriations. On March 29, 2006 the Chancellor requested that the University Boards of Trustees submit their institutions' budget priorities for 2007-2008. System issues such as enrollment growth, major gift matching, plant operations and maintenance for new and phased-in space, salary increases, the continued phase-in of the FAU/UM medical partnership, and NCF Academic/ Administrative Start-up Support would be handled by the Board of Governors' staff. The Chancellor has received the universities' priorities as adopted by the university boards of trustees and submits those priorities for consideration by the Board.

Three options are presented to the Board for consideration:

1. Option 1 - Identifies all annualizations, technical issues, ongoing obligations, access to higher education, major gifts, performance enhancements and other issues, both system-wide and institutional, that address the goals and objectives adopted in the Board's *SUS Strategic Plan*. These issues are linked to the Board's *Strategic Plan* and have been identified by the Board and university boards of

trustees as being system priorities. This option includes all issues submitted by the boards of trustees within the 8% allocation adopted by the Board in the LBR guidelines. This option represents a recommended increase of 15.6% increase over the 2006-2007 base budget.

2. Option 2 - Includes all issues from Option 1, except it reduces issues submitted by the boards of trustees by 3% by eliminating lower priority issues. This option represents a recommended increase of 13.5% increase over the 2006-2007 base budget.
3. Option 3 - Includes only annualizations, technical issues, ongoing obligations, and other issues specifically mentioned in the adopted LBR guidelines. It does not include any issues submitted by the boards of trustees. This option represents a recommended increase of 9.3% increase over the 2006-2007 base budget.

Finally, a LBR for the Board's General Office includes additional staffing needs to carry out obligations of the Board and the SUS and modernization to the SUS data collection capabilities.

Supporting Documentation Included: Backup materials located behind the Finance Committee tab.

Facilitators/Presenters: Mark B. Rosenberg, Chancellor