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State University System 2006-2007 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 2006-2007 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) draft *Strategic Plan*, address specific institutional concerns, and demonstrate accountability/ justification. The following goals and objectives of the draft 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 2005-2006 change in employee benefits, if appropriated by the 2005 Legislature. It does not include funds for a basic state employee pay package for 2006-2007.
 - b. Major Gift Program – Funds will be requested to continue support for the Major Gift matching program.

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- 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 2005-2006;
 - ii. Funds will be requested for the operating costs for new buildings to be completed and occupied in 2006-2007.
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 – A five-year enrollment plan was developed in 2003 and will be updated in 2005. In addition, proviso in the proposed 2005 General Appropriations Act requires university input into the development of the revised five-year enrollment plan and requires the State Board of Education to include funding recommendations in its legislative budget request to implement the revised five-year university enrollment plan. 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 community college enrollment, high school graduates, and transfer 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. FSU Medical School – Funding will be requested for the final year of implementation of the medical school.
 - c. FAMU Law School – Funding will be requested for the final year of implementation of the law school.

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3. World-class Academic Programs and Research Centers – Funding will be requested to continue the development of nationally preeminent academic programs and model research centers.
4. Community Needs and Institutional Missions – University Boards of Trustees may submit their universities' top priorities in accordance with the goals and objectives developed in the *SUS Strategic Plan*.

The following represents the **timeline** for submission of the SUS 2006-2007 LBR for operations:

- April: The Board of Governors approves the operating LBR Policy Guidelines
- May: 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 approves the operating LBR
- August: SUS operating LBR is transmitted to the State Board of Education for inclusion with the K-20 LBR
- September: 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 the projects funded by prior appropriations.
 - b. Utilities Infrastructure/Capital Renewal/Roofs needs.
 - c. Renovation and remodeling projects to meet current space needs, structural/mechanical repairs, and technology upgrades.
 - d. Instructional, then research, followed by support space needs to include projects that will bring each university to the system average percentage of formula need.
 - e. Projects to provide specialized space for a newly approved academic program.
 - f. Special projects for land acquisition and matching external funds from non-private sources.

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- g. Requests to increase the amount of initial construction funding for an existing project.
3. Special consideration and emphasis will be given to proposed joint-use PECO projects.
4. State matching funds for the facilities enhancement matching program will be requested for eligible projects as proposed by the universities.
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 2006-2007 Fixed Capital Outlay LBR.

- April: 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
- September: Fixed Capital Outlay LBR is submitted to the Governor and Legislature

April 21, 2005