

Current State University System Funding Models

Several funding models have been used to request state support for universities:

- 1) Enrollment Growth Model
- 2) Plant Operations and Maintenance (PO&M) Model
- 3) Library Resources
- 4) Waivers

The enrollment growth and PO&M models are used annually to request funding for incremental enrollment growth and operational costs for new facilities that are coming on-line. The library resources and waiver formula have been used on occasion to request resources, although not recently. Requests for other institutional needs are handled on an issue by issue basis.

Enrollment Growth Model

The current enrollment growth model was developed in 1993 and updated in 1995 pursuant to Legislative direction.

This funding formula is dependent upon:

1. Planned student FTEs (full time equivalent student)
2. University specific cost factors. The activities used to support the enrollment funding model include:
 - a. each level of instruction - i.e. lower, upper, graduate and medical instruction
 - b. research
 - c. academic advising
 - d. academic administration
 - e. university support
 - f. student services
 - g. libraries

The cost factors are determined using the most recent expenditure analysis report (This report details the expenditure of funds and use of positions by budget entity, institution, program component, Classification of Instructional Program (CIP) category and instructional level.).

Each university's most recent cost factors for each activity that support instruction (instruction, research, student services, etc.) are divided by the enrollment by level to determine a cost per student FTE for each factor. These costs per student vary by institution, since they are based on each university's own expenditures.

This cost per student FTE is multiplied by the incremental planned enrollment growth at each institution to determine the total amount needed. Student fees anticipated to be collected from these new students are deducted from this total; the remainder is included in the Legislative Budget Request, to be funded from General Revenue.

For example:

- a. Lower Level Instructional Expenditures - \$50,000,000
- b. Lower Level FTE - 5,000
- c. Expenditure per FTE (a / b) - \$10,000

- d. Planned Lower Level Enrollment Growth FTE - 200
- e. Total Cost (d X c) - \$2,000,000
- f. Student Tuition - \$500,000
- g. Net Budget Request (e-f) - \$1,500,000

PO&M formula

In 1993, a space / facilities operating funding model was developed and was slightly tweaked in 1998. This model has been used consistently by the Governor and Legislature to provide operating resources for new space / facilities. Baseline data was established in 1992-93 using each university's expenditures in the Plant Operations & Maintenance component. These expenditures are reported in two activities: operations & maintenance and utilities. Using the expenditures associated with each of these activities, a cost per square foot was developed for each university. These two cost factors are adjusted each year to account for inflation and changes in utilities as determined by the Public Service Commission.

New State University System Funding Model

In the Fall of 2003, the Board of Governors created a workgroup to develop a new funding formula for the state universities. This new funding model will be the core model used to request resources for the universities. In addition to the new model, the PO&M funding model and specific SUS and university issues will continue to be requested.

Whereas the current enrollment growth model uses each university's specific cost factors, the new funding model basically uses system averages as calculated in the expenditure analysis or averages as determined by previous state or national studies. This approach alleviates the concerns that some institutions receive a higher funding per FTE student than other institutions.

The new model requests funding based on the **needs** of the institutions versus previous expenditures, which may be only reflective of available funds. The enrollment growth portion of the model is adjusted to reflect only 75% of the costs being requested from the state, with the other 25% coming from student tuition. The new funding model recognizes the different missions and programs of the universities and includes the following factors:

Component	1 Position per X Full-time Equivalent (FTE) Students	1 Position per X Instructional Faculty Generated	Dollars (\$) per FTE	Unique
1 Enrollment Growth	1 Faculty per X number of FTE Students			
2 Research		1:12 Scholarly 1:10 Mission		
3 Public Service		1:50		
4 Academic Administration		1:13		
5 Instructional Support		1:3		
6 Library Staffing	Lower – 1:300 Upper – 1:150 Grad I – 1:75 Grad II – 1:50			
7 University Support			\$1,397	
8 Financial Aid			\$267.74	
9 Student Services			\$484	
10 Academic Advising				1 Position per 300 Headcount students
11 Tuition Waivers			\$2,600 (graduate students only)	
12 Remedial Education				\$3,000 per 11.06% of FAMU's lower level new FTE
13 Library Resources			\$95	
14 Technology Support/Resources			\$4,300	Computers: 1 per 50 FTE students. 1 per Faculty.
15 Branch Campus Factor			\$500	

	Component	1 Position per X Full-time Equivalent (FTE) Students	1 Position per X Instructional Faculty Generated	Dollars (\$) per FTE	Unique
16	Small University Factor (less than 5,000 FTE)			\$500 (enrollment between 1,000- 5,000); \$8,738 (enrollment less than 1,000, holds NCF harmless)	
17	St. Pete & Sar/Man			\$1,000	\$1,045 per unit
18	IFAS				\$29,900 per medical student; \$20,000 per dental & veterinary student
19	Health Centers				Annual CPI change applied to base
20	Inflationary Cost				