

FLORIDA BOARD OF GOVERNORS
March 18, 2004

SUBJECT: Partnerships with External Entities Impacting University Base Budgets

PROPOSED BOARD ACTION

With respect to any university receiving legislative appropriations to implement a partnership with an external entity that the university terminates, the Colleges and Universities Chancellor is authorized to adjust the base budget of the university by up to an amount equal to the appropriation.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The Board of Governors is responsible to “operate, regulate, control and be fully responsible for the management of the whole university system.” Art. IX, §7(d), Fla. Const. This constitutional mission specifically extends to “ensuring the well-planned coordination and operation of the system” and “avoiding wasteful duplication of facilities or programs.” *Id.* A university terminating a legislatively supported partnership with an external entity can create negative externalities for other universities contrary to this mission. Additionally, the Board of Governors is charged with accounting for appropriations received from the Legislature for the state university system. Pursuant to this responsibility, a university receiving legislative appropriations to implement a partnership with an external entity that the university terminates must anticipate a reduction in its base budget.

Facilitators/Presenters:

Vice-Chair John Dasburg

Colleges and Universities Chancellor Debra Austin