



STATE
UNIVERSITY
SYSTEM
of FLORIDA
Board of Governors

Agenda and Meeting Materials November 7-8, 2018

Live Oak Pavilion
Student Union
Florida Atlantic University
777 Glades Road
Boca Raton, Florida 33431



STATE
UNIVERSITY
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of FLORIDA
Board of Governors

ACTIVITIES
BOARD OF GOVERNORS MEETINGS

Live Oak Pavilion
Student Union
Florida Atlantic University
777 Glades Road
Boca Raton, Florida 33431
November 7-8, 2018

By Telephone Conference Call
Dial-in Number: 888-670-3525
Board Member Code: 8893354522#
Listen-Only Code: 4122150353#

Wednesday, November 7, 2018

3:45 – 5:45 p.m. **Drugs, Alcohol and Mental Health Task Force**
or upon Chair: Dr. Fernando Valverde; Vice Chair: Mr. Syd Kitson
Adjournment of Members: Jordan, Tripp, White, Zachariah
Previous Trustees: Barbar, Burr, Gable, Heavener, Hyde, Lawson, Lowell,
Meetings Marchena, Martin, O’Sullivan, Schulaner, Watkins

Thursday, November 8, 2018

7:30 – 8:30 a.m. **Members Breakfast with the Advisory Council of Faculty Senates**
Palmetto Palm Room, 2nd Floor, Student Union

7:30 – 8:30 a.m. **Breakfast will be provided**
Grand Palm Room, Student Union

8:30 – 9:30 a.m. **Innovation and Online Committee**
or upon Chair: Mr. Edward Morton; Vice Chair: Ms. Darlene Jordan
Adjournment of Members: Cerio, Felton, Huizenga, Kitson, Patel, Stewart, Tripp,
Previous White, Zachariah
Meetings

- 9:30 – 10:15 a.m. Facilities Committee**
or upon Chair: Mr. H. Wayne Huizenga, Jr.; Vice Chair: Dr. Fernando Valverde
Adjournment of Members: Felton, Jordan, Kitson, Lautenbach, Morton, Patel
Previous Meetings
- 10:15 – 10:30 a.m. Break**
- 10:30 a.m. – Academic and Student Affairs Committee**
12:15 p.m. Chair: Mr. Norman Tripp; Vice Chair: Ms. Wendy Link
or upon Members: Cerio, Felton, Frost, Morton, Stewart, Valverde, White
Adjournment of Zachariah
Previous Meetings
- 12:15 – 1:15 p.m. Lunch will be provided**
[Grand Palm Room, Student Union](#)
- 1:15 – 2:15 p.m. Strategic Planning Committee**
or upon Chair: Ms. Darlene Jordan; Vice Chair: Mr. Edward Morton
Adjournment of Members: Cerio, Felton, Frost, Huizenga, Levine, Link, Salerno,
Previous Meetings Zachariah
- 2:15 – 3:00 p.m. Budget and Finance Committee**
or upon Chair: Mr. Syd Kitson; Vice Chair: Mr. H. Wayne Huizenga, Jr.
Adjournment of Members: Cerio, Lautenbach, Salerno, Valverde, White
Previous Meetings
- 3:00 – 3:15 p.m. Break**
- 3:15 – 3:30 p.m. Florida Board of Governors Foundation, Inc. – Annual Meeting**
or upon Chair: Mr. Ned Lautenbach; Vice Chair: Mr. Syd Kitson
Adjournment of All Board members
Previous Meetings
- 3:30 – 4:30 p.m. Board of Governors – Regular Meeting**
or upon Chair: Mr. Ned Lautenbach; Vice Chair: Mr. Syd Kitson
Adjournment of All Board members
Previous Meetings

Please note that this schedule may change at the Chair's privilege.



CONSTITUTION OF THE STATE OF FLORIDA

AS REVISED IN 1968 AND SUBSEQUENTLY AMENDED

ARTICLE IX

EDUCATION

SECTION 7. State University System.--

(a) **PURPOSES.** In order to achieve excellence through teaching students, advancing research and providing public service for the benefit of Florida's citizens, their communities and economies, the people hereby establish a system of governance for the state university system of Florida.

(b) **STATE UNIVERSITY SYSTEM.** There shall be a single state university system comprised of all public universities. A board of trustees shall administer each public university and a board of governors shall govern the state university system.

(c) **LOCAL BOARDS OF TRUSTEES.** Each local constituent university shall be administered by a board of trustees consisting of thirteen members dedicated to the purposes of the state university system. The board of governors shall establish the powers and duties of the boards of trustees. Each board of trustees shall consist of six citizen members appointed by the governor and five citizen members appointed by the board of governors. The appointed members shall be confirmed by the senate and serve staggered terms of five years as provided by law. The chair of the faculty senate, or the equivalent, and the president of the student body of the university shall also be members.

(d) **STATEWIDE BOARD OF GOVERNORS.** The board of governors shall be a body corporate consisting of seventeen members. The board shall operate, regulate, control, and be fully responsible for the management of the whole university system. These responsibilities shall include, but not be limited to, defining the distinctive mission of each constituent university and its articulation with free public schools and community colleges, ensuring the well-planned coordination and operation of the system, and avoiding wasteful duplication of facilities or programs. The board's management shall be subject to the powers of the legislature to appropriate for the expenditure of funds, and the board shall account for such expenditures as provided by law. The governor shall appoint to the board fourteen citizens dedicated to the purposes of the state university system. The appointed members shall be confirmed by the senate and serve staggered terms of seven years as provided by law. The commissioner of education, the chair of the advisory council of faculty senates, or the equivalent, and the president of the Florida student association, or the equivalent, shall also be members of the board.

History.--Proposed by Initiative Petition filed with the Secretary of State August 6, 2002; adopted 2002.



STATE
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Board of Governors

AGENDA

Drugs, Alcohol and Mental Health Task Force

Live Oak Pavilion

Student Union

Florida Atlantic University

777 Glades Road

Boca Raton, Florida 33431

November 7, 2018

3:45 p.m. – 5:45 p.m.

or

Upon Adjournment of Previous Meetings

Chair: Dr. Fernando Valderde; Vice Chair: Mr. Syd Kitson

Members: Jordan, Tripp, White, Zachariah

Trustees: Barbar, Burr, Gable, Heavener, Hyde, Lawson, Lowell,

Marchena, Martin, O'Sullivan, Schulaner, Watkins

1. Call to Order and Opening Remarks

Governor Fernando Valverde

2. Minutes of Task Force Meeting

Minutes, September 12, 2018

Governor Valverde

3. Mental Health: Overview

Dr. Kirk Dougher

Assistant Vice President, Student Affairs

Director, Counseling and Psychological Services

Florida Atlantic University

4. Substance Use and Mental Health

Dr. Kathryn Kominars

Interim Director, Counseling and

Psychological Services

Florida International University

5. Dashboard Project Update

Dr. Corey King
*Vice President for Student Affairs
and Enrollment Management
Florida Atlantic University*

6. Student Wellness Initiatives Updates

Dr. King

7. Concluding Remarks and Adjournment

Governor Valverde

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Drugs, Alcohol and Mental Health Task Force
November 7, 2018**

SUBJECT: Minutes of the Task Force Meeting held September 12, 2018

PROPOSED COMMITTEE ACTION

Consider approval of the minutes of the Drugs, Alcohol and Mental Health Task Force meeting held on September 12, 2018, at New College of Florida

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Committee members will review and consider approval of the minutes of the meeting held on September 12, 2018, at New College of Florida.

Supporting Documentation Included: Minutes, September 12, 2018

Facilitators/Presenters: Governor Fernando Valverde

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
DRUGS, ALCOHOL AND MENTAL HEALTH TASK FORCE
NEW COLLEGE OF FLORIDA
SARASOTA, FLORIDA
SEPTEMBER 12, 2018

*Video or audio archives of the meetings of the Board of Governors
and its Committees are accessible at <http://www.flbog.edu>.*

1. Call to Order and Opening Remarks

Chair Valverde convened the meeting on September 12, 2018, at 12:40 p.m. with the following members present: Governors Valverde, Jordan (by phone), Tripp, and White; Florida Agricultural and Mechanical University Trustee Lawson; Florida Atlantic University Trustee Barbar; Florida Gulf Coast University Trustee Gable; Florida Polytechnic University Trustee Wilson; New College of Florida Trustee Schulaner; University of Central Florida Trustee Marchena (1:05 p.m.); University of North Florida Trustee Hyde; University of South Florida Trustee Watkins; and University of West Florida Trustee O'Sullivan. A quorum was established.

2. Minutes of Task Force Meeting

Chair Valverde asked for a motion to approve the minutes from the June 27, 2018, Task Force workshop. Governor Tripp moved to approve the minutes, Trustee Lawson seconded the motion, and the motion carried unanimously.

3. Mental Health Services on Campus: Update

Chair Valverde introduced Dr. Paul Atchley, Senior Associate Vice President at the University of South Florida and invited him to provide an update of the mental health services on campus. Dr. Atchley provided a high-level overview of systems-level thinking that leads to informed campus mental health choices. The presentation focused on four general areas in which mental health can be approached on our campuses and included examples in the areas of universal prevention, primary prevention, secondary prevention, and tertiary prevention.

Governor Morton asked if metrics have been developed by which all of the well-intended programs can be measured. Dr. Atchley commented that the programs are empirically supported programs, referencing the literature for the best approaches and measurements in order to know whether programs are successful or not. Governor Morton commented that according to U.S. News and World Report and psychiatric

journals between 20-25% of the United States at some point suffers from mental illness. We have 400,000 students, give or take, so potentially 100,000 of our students suffer or may suffer from some form of mental illness. Governor Morton commented that the root cause of what we perceive as mental illness is the absence of timely counseling, not from mental illness but from academics. Governor Morton asked if Dr. Atchley had looked at the role that expanded mentoring and counseling programs regarding academics would play in reducing root cause for a significant percentage. Dr. Atchley replied that identifying the early components that lead to crisis is critical and stated that there are techniques used such as online modules to learn about mental health issues or coaching which is a way to help students with things like time management which ultimately leads to stress and anxiety. He stated that these techniques are used in prevention before extreme distress and care at the point of crisis and are so important.

Governor Morton asked where mental health and counseling fit in the priorities of the presidents of the universities.

Dr. Sallie McRorie, Provost at Florida State University (FSU), reported FSU has hired more mental health counselors and went on to describe the FSU Resilience Project. The FSU Resilience Project is an online project that helps to inform students where they need to go when they have particular kinds of issues and also helps them deal with the kinds of stresses that typically happen such as academic stresses, relationship stresses; stresses that happen all the time but because of their life or community experience are not well prepared to deal with them in a positive way. Dr. McRorie commented that this project has a science-based curriculum, and this was sent to the incoming freshmen in August so that they could share it with their parents. There is a completion certificate and this will be rolled out to the whole university on the 24th. Dr. McRorie said that the project involved researchers and students across campus, which will allow data to be gathered to help indicate what is effective and what is not.

Chair Valverde asked if the incidences of anxiety and depression is heading up or down? Dr. Atchley responded “up” and referenced research by Dr. Stephen Ilardi, stating that it comes down to life choices, including diet, exercise, and socialization. It’s a complex issue, but there are some therapies, non-drug intervention therapies, that deal with some of the life changes that people have been experiencing in the last 20 years, that do seem to be effective. Dr. Atchley said regular exercise is as effective as the best drugs on the market for treating depression, and if you look at the change over time of people being outdoors and engaging in regular exercise, it has gone down. In countries that aren’t experiencing these increases in depression, you often see these comorbid changes in exercise level. Socialization, people getting together in large groups is another.

Chair Valverde asked what percentage of students access counseling in a given year? Dr. Atchley stated he didn’t have an answer, but that it’s an interesting question

because it's possible both parties are defining it differently. Accessing counseling could mean making a choice to walk into or schedule with a counselor or counseling center. However, the approach discussed in the presentation encourages individuals to think beyond those numbers as the outcome. For example, considering how many students access the online modules or are choosing to get mental health training. Consider how many faculty members are choosing to get mental health training. This information gives us a better example of the kind of visibility of the issues and the activity being put into actually dealing with mental health rather counseling center visits. Dr. Atchley encouraged looking beyond that metric. Chair Valverde then asked for information on how crisis management occurred in the state university system including what kind of students were walking in, what kind of symptoms were being treated, and what diagnoses are we treating? Dr. Atchley said he would leave that question for others to explain further in November as it would be extending beyond his expertise.

4. Drugs and Alcohol Tools in the Toolkit Part 2

Governor Trip introduced Dr. Thomas Hall, Director of Prevention, Treatment, and Recovery Services at the University of Central Florida, who gave a presentation on the best practices regarding education, presentation, and treatment relative to student drug and alcohol use.

Dr. Hall discussed several frameworks that are beneficial to use when discussing prevention and treatment of drug and alcohol misuse. Dr. Hall reviewed the Substance Abuse Mental Health Services Administration's Strategic Prevention System, the Institute of Medicine's Continuum of Care Model, and the Florida Administrative Code's acceptable prevention strategies. Important issues included defining prevention (e.g., first time use, harm, consequences, or any use), developing community-based strategies that target the present student population, and environmental management (i.e., laws and policies). Dr. Hall further discussed universal prevention, prevention target to specific groups of students (e.g., Greek life, athletes, and first year students), and indicated prevention (i.e., specific individuals). Dr. Hall also discussed some of the differences in treating alcohol and drug use because the nature of both are different.

Governor Huizenga mentioned that one thing that has not been discussed is fraternities and asked why not address someone who is 18 or 19 and drinking at a fraternity when you're not supposed to drink until you're 21? He asked why not police the fraternities better and say no alcohol or you can't rush until you're a junior or whatever else? Some fraternities are on-campus and some are off-campus and that makes them difficult to police, but it's creating places for them to go drink or enter into drugs or smoke pot out of the sight or supervision of the campus. Governor Huizenga commented the same goes for policing our dormitories. He concluded that the state is going to spend millions and millions of dollars to try to help, but yet we're not really addressing where the access is coming from either.

Dr. Hall commented that it goes back to the continuum; that it's not about using just one strategy but using a multi-prong approach to look at things simultaneously. He's noticed some hesitation by colleagues to admit that students come into college and have not had a drink. Dr. Hall reported that this is not just University of Central Florida data but rather a national trend in middle schools and high schools over the last ten years, and those are students that are migrating to the colleges. Dr. Hall suggested that now that we have this majority of students coming in who are non-drinkers, there may be a movement towards setting a higher expectation.

Governor Patel asked if it would be wise to reach out to the older generations from chapters of fraternities and sororities who didn't have alcohol and opioid problems and seek help from them to help educate their people in their organizations. He commented that a campaign between the state university and the colleges may help reach them because they are the mentors that are challenging the future leaders that are coming into the system.

Dr. Hall mentioned that he has been a Greek advisor for several chapters. He commented that the alums that are engaged don't tend to be the alum Governor Patel identified. These tend to be the alums that are reliving their wild college days and are actually setting a poor example for students. Dr. Hall said that he was able to speak to the director of the PIKE fraternity who sought some advice on a new initiative. Dr. Hall asked how welcoming it be if a person of their fraternity was in recovery. The director ended up contacting him several weeks later and mentioned he had thought a lot about that issue, and PIKE was going to develop a program to educate their members and to create a space for PIKES in recovery.

Dr. McRorie added that FSU recently suffered a death of a young fraternity member. President Thrasher along with the President of Penn State and the President of LSU have been focusing national comments on this issue and have really brought it to the forefront of higher education in a way that may have not happened before. FSU has been working diligently on how best to solve the very issues that are presently being discussed. She said there are parents who come to campus and behave worse than the students. She then introduced Dr. Amy Hecht, Vice President for Student Affairs at FSU to go over some of the things that FSU has done to try to address some of the problems with the Greek system.

Dr. Hecht mentioned that, like those of her colleagues across the state, FSU has revisited drug and alcohol policies of what can and cannot be done as a recognized organization. FSU has started training advisors and students on resources for any number of challenges their members may have whether it be mental health, drug and alcohol addiction, or eating disorders so that they are best equipped to get their members to a safe place. They're seeing, just like we are seeing nationally, these challenges in their

chapters so we've been helping equip them to have these conversations and teach them ways in which they can use alcohol, if they are of age, in a responsible manner. Dr. Hecht believes that the advisors are going to be essential to moving FSU forward because these are off-campus residents, private homes that some of these activities are happening in. She noted that the National Interfraternity Council just released a vote that bans hard alcohol but that there are still some questions surrounding the nuances of banning hard alcohol in the Interfraternity Council. FSU is interested in continuing that conversation further.

Chair Valverde asked Dr. Hall from a policy perspective, if he were to have a magic wand, what he would like done. Dr. Hall stated from a policy perspective, beginning to conceptualize prevention not as the work of one office or one person, but as a university-wide responsibility. It would be a responsibility and not a task, and one that people got excited about. There is a wealth of knowledge in the SUS and just being able to build those bridges so that faculty research can help inform practices. From a policy standpoint, this might be more of a process, but a top-down approach that needs to be looked at more holistically and more as something that is coming from the institution and not just a single department.

Governor Tripp asked if Dr. Hall believed the Board was making any difference by focusing on the issue and if the Board was being effective. Dr. Hall responded that in 2003 he wrote a white paper for Governor Jeb Bush on higher education. It was called "Florida Can: Changing Alcohol Norms," and he received an award for it. The institution he was working for at the time, which was not UCF, was reticent about him going and accepting the award because the institution didn't want anyone to think they had an alcohol problem. Dr. Hall commented that the fact that the Task Force is having this conversation and the dialogue has been raised at this point is tremendous. He stated that the Task Force has to follow up with recommendations and that a group of people be tasked to make those the recommendations reality.

Trustee Mort O' Sullivan, Chairman of The University of West Florida's Board of Trustee's, urged the Task Force to consider linking a recovering student with a student that comes in with the problem. He continued that, even if you have a program where you pay them on a work-study basis to be sponsor, this is more credible to that student than any administrator or counselor talking to them. Dr. Hall responded that it was essential to their program. He said that while they are not paid, they have group sober nights, and the individuals are mentored. Dr. Hall concluded that finding students, alumni, faculty, and business leaders who are in recovery and who will mentor these students is important.

Governor Levine commented that drinking, drugs, or other types of issues are showing up on the doorsteps of universities but started well before, in many cases. He commented that while it was incredible that the Board and the Chair has made this a

priority, he believes this is a conversation that should be happening with the Higher Education Coordinating Council because K-12 ought to be at the table as this is being discussed. He asked what linkages can the SUS be creating with K-12 so that intervention can happen in a coordinated way a lot sooner. Governor Levine asked if there's been discussions with involving the private universities, the private colleges, and K-12. Governor Link said as a new member of the HECC she will certainly bring it up at their next meeting and get some feedback.

5. Dashboard Project Update

Chair Valverde recognized Dr. Larry Lunsford, Vice President for Student Affairs at Florida International University, and Dr. Corey King, Vice President for Student Affairs and Enrollment Management at Florida Atlantic University, to give an update on the Dashboard Project.

Dr. King reported that there are some common strategies that can happen across the SUS in terms of addressing mental health, alcohol, and drugs. Dr. King wanted to emphasize that while those common strategies are there, the campuses are individual in terms of their culture, and there should be a continued recognition of the individual strategies that must be taken to the uniqueness of the various campus programs. Dr. King stated he was excited about the K-12 conversations in terms of the thought that use of alcohol and drugs and mental health is not just a challenge only on university campuses. Dr. King reviewed programs at some of the campuses and expressed his support and inclusion in the conversation on K-12 and mental health, drugs, and alcohol misuse.

Dr. King reported that last year, the Council for Student Affairs (CSA) had a fraternity and sorority well-being summit where they addressed some of the issues related to fraternity and sorority life and believes they came from the summit with some strong initiatives that are supported by students. He stated that while there are some things occurring on campuses to combat these issues, the CSA recognizes a continual requirement to focus on drugs, alcohol, and mental health. At the last Task Force meeting some goals were presented related to dashboard that are currently being worked towards. In the November meeting, Dr. King expects to present specific metrics and the dashboard that will serve as a measure of accountability in achieving those goals.

6. Student Wellness Initiatives

Chair Tripp recognized Dr. King who gave an update on student wellness initiatives. Dr. King stated that in reviewing amnesty policies in the SUS, all campuses have one or are in discussions about amnesty policies. He is hoping to report at the November meeting that there will be a policy, procedure, or something similar on all the respective

campuses accomplishing the goal. In regards to mental health awareness, there's software training, face-to-face training, and other initiatives, and the goal is to find a comprehensive training mechanism that is consistent across all the college campuses in addition to what is currently being used in order to creating a common database to share with the taskforce.

Dr. King stated that CSA is moving to establishing a single approach to educating faculty on mental health issues. Some possible online tools for mental health literacy training have been identified that can be used commonly across institutions. The Council will be focusing on what that looks like and will have a full report at the November meeting. Dr. King said that he is also in conversations with Dr. McRorie, chair of the Council of Academic Vice Presidents, about how to engage faculty in the training program. The Council is also working with the Florida Student Association.

Governor Lautenbach commented that the faculty want tools and resources to point students toward when they need help and encouraged the council to work on these issues. Governor Lautenbach suggested that there be two scoreboards. One on how the group is doing in rolling out initiatives and the effectiveness of the initiatives. The second should somehow measure progress on dealing with the program and gains that are being made.

7. Florida Polytechnic University Update

Chair Valverde recognized Dr. Randy K. Avent, President of Florida Polytechnic University, to give an update on events on campus. President Avent discussed the events that happened in August and expressed condolences to the family and individuals affected by the tragedy. President Avent then reviewed the rationale and changes that have occurred on campus with the shift from one counselor to BayCare. The university adopted a network model of mental healthcare providers which was more beneficial. This model will use a case manager to work with students. The case manager is not a clinical position so they can report back to faculty to let them know the individual got help. For network services, the institution contracted with BayCare who provides a counselor on campus for a minimum number of hours. As need increases, the hours increase as well. BayCare allows students to be seen on-campus or at an off-campus location, and Florida Polytechnic provides transportation for students who wish to be seen off-campus. President Avent then discussed how the changes were announced, challenges with the staff refusing to provide continuity of care, and how the organization addressed this challenge.

Governor Levine expressed concern regarding the issues of mental health being weaved into conversations about faculty and contracts. He said that the focus needs to be what is best for the students. He stated that having a breadth of professionals available 24-7 makes sense. However, starting counseling with students, then having that person

leave without having someone there for the students to talk to when that person leaves, could be more negative to those students than anything else because that is when they really need help. He then stated that the universities are there to provide an environment for students to learn and expand their knowledge and pursue whatever their ambitions are, but the counseling and mental health services that are offered are not meant to cure these issues. These services can help keep students stable and focused, but the intent of these services are not to have these students enter these services and remain in these services for deep dive treatment. He expressed concern that people are expecting universities to solve these problems when they are not equipped to do all that.

President Avent acknowledged Governor Levine's concerns and said the university made the change because they believed it was a much better system. Once the counselor was terminated, the BayCare counselor immediately came on campus so there was no difference in the process, but there was a different counselor. He agreed with Governor Levine that the counselor is not a licensed psychologist or licensed psychiatrist. Their goal is to help with shorter term issues that students may be having, but for those students that need professional care from a licensed psychologist or psychiatrist, they help them get to those needed services.

Governor Morton said that State of Florida is the 49th state on a per capita basis on funding mental illness compared to the other 50 states. He stated there is a void in mental health to the extent that when they identify a mental health issue there's trouble finding where to send the person to when the majority of counties in Florida do not fund mental health to the extent that they should. He expressed concern on the idea of identifying the problem and then the approach is to hand it off when there is no one to hand it off to. In the absence of those services, he stated that it was important to satisfy this need and if it's not there, determine what the SUS should do.

President Avent stated that in those situations the response is to find a licensed psychiatrist or a licensed psychologist to intervene.

Governor Link sought clarification on whether the insurance that Polytechnic provides also includes mental health as an avenue for a student to use to seek professional health once it reaches beyond the level of what can be done at the university.

President Avent answered that once it becomes critical to the point where the counselor cannot handle the issue and the student has to see a psychiatrist or psychologist, their insurance should cover it. He was unsure of what happens if the student does not have insurance.

Dr. McRorie clarified that FSU is the only university that requires insurance for students. They have to have their own or be on their parent's insurance.

Governor Tripp said that the universities are communities. . He believed the purpose of what the Task Force is doing is to identify the issues the SUS has and come up with solutions to deal with those students in the community at every university. If it entails having to seek outside help, that could be one aspect. If the student cannot afford outside help because they are on Pell grants or other things, the university will work with them.

Governor Levine stated that as a Board, perhaps the more proper place to be is advocating to the legislature about the state's mental health system and some of the broader issues there and get mental health experts to the table to help guide and participate in that discussion. Governor Levine also suggested that the Board engage the legislature, the Governor, K-12, and experts in mental health in the discussion.

Chancellor Criser suggested that since we've been talking about a process and how often the situation arises where a student hits a wall with an inability to pay, perhaps the Task Force needs to take that question and come back with some information about how often campuses encounter that situation and try to understand what remedies can work towards that.

Chair Valverde sought confirmation that FSU is the only one university that requires students to have health insurance.

Dr. McRorie confirmed and added that it does add to the cost of attendance, but that it was in their students' best interest to have that coverage. She stated that for those students who are unable to pay for it for some reason, FSU works to have them covered.

8. Concluding Remarks and Adjournment

Chair Valverde thanked the taskforce and presenters and adjourned the meeting at 2:34 p.m.

Dr. Fernando Valverde, Chair

Lynn Hunt Long, Ed.D.
Director, Academic and
Student Affairs

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Drugs, Alcohol and Mental Health Task Force
November 7, 2018**

SUBJECT: Mental Health: Overview

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

According to the Task Force work plan, approved on June 27, 2018, Dr. Kirk Dougher, Assistant Vice President of Student Affairs and Director of Counseling and Psychological Services from Florida Atlantic University, will provide the Task Force with an overview of mental health programs and services and an update on institution mental health plans.

Supporting Documentation Included: None

Facilitators/Presenters: Dr. Kirk Dougher

Inst.	Summary of Proposed Mental Health Enhancement Plans November 2017*	Current Progress on Enhancement Plan** November 2018
FAMU	<ol style="list-style-type: none"> 1. One additional psychologist (FY 2017-18) 2. One additional psychologist (FY 2018-19) 	<ol style="list-style-type: none"> 1. Search conducted but no qualified applicants identified. Salary has been increased and position re-advertised. 2. In progress. <ul style="list-style-type: none"> • Other strategies implemented <ul style="list-style-type: none"> ○ WellTrack, an online self-help therapy program for anxiety/stress, depression and public speaking was implemented in August 2018. ○ WellConnect, implemented in August 2018, provides licensed mental health counselors after-hours for students. It also provides referrals and face to face counseling for students at the satellite campuses.
FAU	<ol style="list-style-type: none"> 1. Six additional therapists (Fall of FY 2017-18) 2. One additional case manager, one additional psychiatrist, and four additional therapists (Spring of FY 2017-18) 3. Three additional therapists (Fall of FY 2018-19) 4. Three additional therapists (Spring of FY 2018-19) 	<ol style="list-style-type: none"> 1. Attempted to hire seven therapists. Successfully hired five, two of which have since left leaving four positions vacant. 2. Case Manager, psychiatrist, and two of four therapists hired. 3. Three therapists hired with an additional 1.5 OPS FTE hires in process. 4. Anticipate hiring 3-9 therapists with start dates Jan – Aug of 2019. <ul style="list-style-type: none"> • Remaining unfilled positions will be moved to Fall 2019.

* As reported to the Board of Governors in November 9, 2017: https://www.flbog.edu/documents_meetings/0266_1101_8292_7.6.2%20%20BUD%2006a%20-%20Mental%20Health%20and%20Safety%20Summary_Plans%20DRAFT.pdf

** Numbered bulleted points are linked to specific items in the proposed mental health enhancement plan found in the previous column.

Inst.	Summary of Proposed Mental Health Enhancement Plans* November 2017	Current Progress on Enhancement Plan** November 2018
FGCU	<ol style="list-style-type: none"> 1. Provide enhancements to the equipment, training and systems in place to address mental health needs. 2. Providing faculty and staff with training needed to identify and assist students who may need assistance. In the long-term, FGCU looks to invest in counselors and case managers. 	<ol style="list-style-type: none"> 1. Staff attended various clinical trainings and brought in trainers for such issues as single-session therapy. 2. Developed RESPOND MFA optional training for faculty and staff. • Other strategies implemented <ul style="list-style-type: none"> ○ Gained two staff positions, one funded for this year only. ○ Plans are underway for new campus building to house CAPS and others. Scheduled to completed fall of 2019.
FIU	<ol style="list-style-type: none"> 1. Fund salary equity for retention (FY 2017-18). 2. Add two additional psychologist positions for specialty needs including risk assessment (FY 2017-18) 3. Add two additional psychologist positions will be added in areas of greatest need (FY 2018-19) 4. Create a Student Mental Health Taskforce. Recommendations due to Provost by July 1, 2018 	<ol style="list-style-type: none"> 1. In 2017-18 salaries for psychologists in Counseling were adjusted to 50% of market. Administrative clinician salaries were not addressed at that time. 2. Two open psychologist positions filled. 3. Increased goal from two to seven, three of which have been filled as of September 30, 2018. The remaining four positions will be filled by the end of 2018-2019. 4. Task Force created and funding for Kognito license fees awarded.
Poly	The university employs one full-time counselor and one part-time counselor and 24/7 Bay Care (contracted healthcare agency) to support 1460 students. The standards state the minimum staffing rations should strive to be one FTE professional staff member to every 1,000-1,500 students. FPU is compliant with that standard.	Transitioned to a tiered-service model by employing 1 full-time Associate Director of Campus Wellness Management and contracting with 24/7 Bay Care to support 1,424 students. Students are seen by a mental health professional within 6-72 hours, depending on the level of need.

* As reported to the Board of Governors in November 9, 2017: https://www.flbog.edu/documents_meetings/0266_1101_8292_7.6.2%20%20BUD%2006a%20-%20Mental%20Health%20and%20Safety%20Summary_Plans%20DRAFT.pdf

** Numbered bulleted points are linked to specific items in the proposed mental health enhancement plan found in the previous column.

Inst.	Summary of Proposed Mental Health Enhancement Plans* November 2018	Current Progress on Enhancement Plan** November 2018
FSU	<ol style="list-style-type: none"> 1. Six additional counselors (FY 2017-18) 2. Six additional counselors (FY 2018-19) 3. Five additional counselors (FY 2019-20) 4. Six additional counselors (FY 2020-21) 	<ol style="list-style-type: none"> 1. Achieved 2. Achieved
NCF/ USF-SM	<ol style="list-style-type: none"> 1. Two additional positions - case manager and counselor (FY 2017-18) 2. Funding for electronic outreach programming (FY 2017-18) 3. One additional psychologist position (FY 2018-19) 	<ol style="list-style-type: none"> 1. Case manager hired; counselor position shared between campuses (.8 FTE USF-SM, .2 FTE NCF) hired in October of 2018. 2. Achieved 3. Plan to search in spring 2019.
UCF	<ol style="list-style-type: none"> 1. Continue to front load initial assessment appointments for 2017-18 2. Maximize use of OPS providers from the community who are able to devote service time to providing therapy to students 3. Explore the expansion of CAPS' post-doctoral training program to maximize student service and advance goals for achieving preeminent status 4. Reallocate the student health fee so that it will go to support CAPS, resulting in close to \$1 million of new mental health resources 	<ol style="list-style-type: none"> 1. Achieved 2. Achieved, added 1.5 FTE OPS providers 3. Achieved, added two post-doc fellows 4. Achieved

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Inst.	Summary of Proposed Mental Health Enhancement Plans* November 2017	Current Progress on Enhancement Plan** November 2018
UF	<ol style="list-style-type: none"> 1. Hire four additional mental health counselors (FY 2017-18) 2. Hire four additional mental health counselors (FY 2018-19) 3. Hire four additional mental health counselors (FY 2019-20) 	<ol style="list-style-type: none"> 1. Four additional mental health counselors hired (FY 2017-18) 2. One additional mental health counselor hired, two in progress (FY 2018-19)
UNF	<ol style="list-style-type: none"> 1. University has purchased and begun to implement preventative tracking and management software (i.e. Maxient) used to identify students at risk, allowing staff to intervene as quickly as possible to prevent further academic or personal decline 2. Student Government has chosen to redistribute a portion of existing fee funding to the Counseling Center, along with an investment from the University's base budget, funds will support a new pre-doctoral psychology internship program 3. Hire temporary clinicians until the new interns can take over in FY 2018-19 	<p>All three items are completed plus:</p> <ul style="list-style-type: none"> • Maxient system is fully implemented. • Doctoral Psychology Interns are in place. • Accreditation process is on track with site visitors to be scheduled this for winter. • Psychiatric services extended to Student Health Service office. • Access to services has been improved by creating "walk-in" hours five days a week. • New president is considering campus culture and policy changes to improve mental health (e.g., moving to having a dry campus).

* As reported to the Board of Governors in November 9, 2017: https://www.flbog.edu/documents_meetings/0266_1101_8292_7.6.2%20%20BUD%2006a%20-%20Mental%20Health%20and%20Safety%20Summary_Plans%20DRAFT.pdf

** Numbered bulleted points are linked to specific items in the proposed mental health enhancement plan found in the previous column.

Inst.	Summary of Proposed Mental Health Enhancement Plans* November 2017	Current Progress on Enhancement Plan** November 2018
USF - Tampa	<ol style="list-style-type: none"> 1. Increase Mental Health Literacy through Social Marketing, one additional social marketing staff (FY 2017-18). Should have an impact across all three campuses. 2. Add one additional mental health outreach specialist (FY 2017-18) 3. Add three additional certified Health & Wellness Coaches (FY 2017-18) 4. Add Extended Hours for Counselling Services and establish satellite counselling stations. Increasing staff to accomplish these tasks by hiring four additional licensed counselors, two post-docs, and three interns. Services will extend to the St. Petersburg location. (FY 2017-18)5. 5. Implement Coordinated Care Management System by hiring two Care Managers (Spring of FY 2017-18) 6. Two additional Satellite Stations, two post-docs (FY 2018-19) 7. Add an additional Care Manager for Coordinated Care (Spring of FY 2018-19) 8. For the USF Sarasota-Manatee campus: Hire Mental Health Outreach Specialist (FY 2017-18) 	<ol style="list-style-type: none"> 1. Achieved 2. Achieved 3. Achieved 4. Achieved 5. Hired one care manager; one care manager will be hired for spring 2019. 6. In progress 7. See 5 above 8. Achieved

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Inst.	Summary of Proposed Mental Health Enhancement Plans* November 2017	Current Progress on Enhancement Plan** November 2018
USF-St. Pete	<ol style="list-style-type: none"> 1. Hire one Mental Health Outreach Specialist (FY 2017-18) 2. Hire one certified Health and Wellness Coach (FY 2017-18) 3. Hire one Care Manager (FY 2017-18) 	<ol style="list-style-type: none"> 1. Licensed therapist was hired in June 2018 who is also responsible for mental health outreach. 2. A victim advocate/wellness coach was hired in June 2018 but has since left and a new search is underway. Alternatively 2 current staff members have been trained and will provide some coaching starting in spring 2019. 3. A manager was hired in March 2018 but has since left and a new search is underway.

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** Numbered bulleted points are linked to specific items in the proposed mental health enhancement plan found in the previous column.

Inst.	Summary of Proposed Mental Health Enhancement Plans* November 2017	Current Progress on Enhancement Plan** November 2018
UWF	<ol style="list-style-type: none"> 1. One additional psychologist and one additional licensed mental health counselor (FY 2017-18) 2. One additional psychologist and one additional licensed mental health counselor (FY 2018-19) 3. One additional licensed mental health counselor and one additional clinical social worker (FY 2019-20) 4. One additional clinical social worker (FY 2020-21) 5. Develop innovative programs such as Recovery (drug and alcohol dependence and abuse) support services, expanded support services for students on the Autism Spectrum, Learning Disability and Attention Deficit Disorder Testing and Assessment, and facilitate programs for academically at-risk students 	<p>Due to increased demand for services during the 2017-18 academic year, UWF revised the staffing plan as follows.</p> <ul style="list-style-type: none"> • Two additional licensed mental health counselors hired (FY 2017-2018) • Two additional clinical social workers hired (FY 2018-19) • One full-time psychologist (FY 2018-19) • One full-time psychologist and 1 additional clinical social worker (FY 2019-20) • Expanded CAPS space to accommodate program growth (2018-19) • Developed and implemented Let's Talk program in two residence halls. • Developed and implemented biofeedback station in one residence hall with plans to add two or three more after pilot (2018-19). • Become a Healthy Campus 2020 partner (2018-19). • Enhance faculty and staff training. • Purchased Kognito, an online training module faculty and staff. (2018-19) • Implement Mental Health - First Aid Training (2018-19) • Develop innovative programs such as Recovery (drug and alcohol dependence and abuse) support services, expanded support services for students on the Autism Spectrum, Learning Disability and Attention Deficit Disorder Testing and Assessment, and facilitate programs for academically at-risk students

* As reported to the Board of Governors in November 9, 2017: https://www.flbog.edu/documents_meetings/0266_1101_8292_7.6.2%20%20BUD%2006a%20-%20Mental%20Health%20and%20Safety%20Summary_Plans%20DRAFT.pdf

** Numbered bulleted points are linked to specific items in the proposed mental health enhancement plan found in the previous column.

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Drugs, Alcohol and Mental Health Task Force
November 7, 2018**

SUBJECT: Substance Use/ Abuse and Mental Health

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

According to the Task Force work plan, approved on June 27, 2018, Dr. Kathryn Kominars, Interim Director of Counseling and Psychological Services from Florida International University, will provide a presentation to the Task Force on the relationship between substance use/abuse and mental health.

Supporting Documentation Included: None

Facilitators/Presenters: Dr. Kathryn Kominars

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Drugs, Alcohol and Mental Health Task Force
November 7, 2018**

SUBJECT: Dashboard Project Update

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

In accordance with the Task Force work plan, approved on June 27, 2018, Dr. Corey King, Chair of the State University System Council for Student Affairs, will provide an update on the Dashboard Project.

Supporting Documentation Included:

None

Facilitators/Presenters:

Dr. Corey King

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Drugs, Alcohol and Mental Health Task Force
November 7, 2018**

SUBJECT: Student Wellness Initiatives

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

At the conclusion of the June 2018 Task Force meeting, Dr. Corey King, Vice President for Student Affairs and Enrollment Management from Florida Atlantic University and the Chair of the Council for Student Affairs, suggested that the Council consider the following initiatives: 1) system-wide mental health awareness training for faculty and staff in collaboration with the Council for Academic Vice Presidents, 2) ensuring all State University System institutions adopt medical amnesty policies, and 3) collaborating with the Board, Board staff, and the Florida Student Association to develop and/or support medical amnesty legislation as appropriate.

Dr. King will provide the Task Force with an update on these three initiatives and other relevant system-wide initiatives as appropriate.

Supporting Documentation Included: None

Facilitators/Presenters: Dr. Corey King



STATE
UNIVERSITY
SYSTEM
of FLORIDA
Board of Governors

AGENDA
Innovation and Online Committee

Live Oak Pavilion
Student Union
Florida Atlantic University
777 Glades Road
Boca Raton, Florida 33431
November 8, 2018
8:30 a.m. – 9:30 a.m.

or
Upon Adjournment of Previous Meetings

Chair: Mr. Edward Morton; Vice Chair: Ms. Darlene Jordan
Members: Cerio, Felton, Huizenga, Kitson, Patel, Stewart, Tripp, White, Zachariah

- 1. Call to Order and Opening Remarks** **Governor Edward Morton**
- 2. Minutes of Committee Meeting** **Governor Morton**
Minutes, September 13, 2018
- 3. Open Educational Resources and eTextbooks Workshop** **Steering Committee's OER Workgroup**
 - Introduction
 - OER Initiatives in the SUS
 - The Role of Faculty
 - Future SUS Initiatives: Implementation and Advancement
- 4. Recognition of Exemplary Online Student** **Ms. Jazmin Campos**
MBA Online Program
Florida Atlantic University
- 5. Concluding Remarks and Adjournment** **Governor Morton**

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Innovation and Online Committee
November 8, 2018**

SUBJECT: Minutes of Committee Meeting held September 13, 2018

PROPOSED COMMITTEE ACTION

Approval of minutes of the committee meeting held on September 13, 2018.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Board members will review and approve the minutes of the committee meeting held on September 13, 2018.

Supporting Documentation Included: Minutes: September 13, 2018

Facilitators/Presenters: Governor Edward Morton

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
INNOVATION AND ONLINE COMMITTEE
NEW COLLEGE of FLORIDA
SARASOTA, FL
SEPTEMBER 13, 2018

1. Call to Order

Chair Ed Morton convened the meeting at 8:30 a.m. on September 13, 2018, with the following members present: Governors Ed Morton, Sydney Kitson, Tim Cerio, Shawn Felton, Jay Patel, Norman Tripp, and Jalisa White. A quorum was established.

2. Approval of Committee Meeting Minutes

Governor White moved that the committee approve the minutes of the June 27, 2018 meeting, as presented. Governor Cerio seconded the motion, and the members concurred.

3. Complete Florida Degree Initiative

Dr. Pam Northup, Vice President of the University of West Florida Division of Research and Strategic Innovation, provided an overview of the Complete Florida Degree Initiative. This statewide funded initiative identifies students in the state who have completed some college coursework, but have not completed an undergraduate degree, and provides information and support services to enable these students to return to college to complete a degree, particularly in degree programs where there is workforce demand for graduates.

Dr. Michelle Horton, Director of Complete Florida, provided an update on the initiative and reported that over 2.1 million working-age Floridians have achieved some college credit but have not completed a bachelor's degree. Complete Florida has found that the primary concerns of these students are time, money, and family obligations. The Complete Florida program provides these Floridians with the ability to understand and navigate the options available for degree completion which include: accelerated terms, alternative credits, competency-based degree completion, transfer evaluations, and prior learning assessments.

Dr. Horton reported that Complete Florida has 14 school partnerships throughout the state including 5 public universities, 5 public colleges, and 4 private universities. There are more than 130 fully online programs in areas of healthcare, education, IT, business, and general degree completion. Governor Morton encouraged the program to pursue

partnerships with the state universities that were not participating. Dr. Horton responded that there are three other SUS partnerships that are currently being established and reminded the committee that Complete Florida exclusively deals with undergraduate students. She added that there are also many state and national collaborations being utilized, and there has been stop-out campaigns instituted, industry pathway programs developed, and connections with employers made to aid their employees to pursue and complete a baccalaureate degree.

When a student applicant is accepted in to the Complete Florida program, each student is assigned a professional “Success Coach” who provides ongoing and wide ranging assistance. The coaches work with a contact at the appropriate postsecondary institution to ensure that students are enrolled, are prepared for the degree requirements, and have the resources needed to complete the degree. Each coach connects with their student multiple times throughout each semester via personal visits, email, and phone, providing the necessary academic information and support services needed to complete the degree program.

In the 2017-2018 academic year, there were 2,052 students enrolled (a 12% increase) with 27% of students having military affiliation. 8,937 students were working with coaches in preparation for admission and 12,000 were contacted during stop-out campaigns. Dr. Horton reported that there have been 1,086 graduates since the program started. Additionally, scholarships have been utilized: \$490,018 during this academic year and \$1.2 million overall in scholarships have been awarded since the program’s inception.

4. MyCareerShines

Dr. Mike Dieckmann, Associate Vice President of the University of West Florida and the CEO of Florida Virtual Campus, introduced the MyCareerShines (MCS) program. MyCareerShines is Florida’s comprehensive education and career planning system for students and job seekers. Floridians can assess their interests and skills, explore careers, plan their related education, and prepare for work. The program serves an engaged network of state entities collaborating to develop a strong workforce, and helps Floridians succeed in the increasingly competitive global market.

MyCareerShines has been funded by legislative appropriation since 2014. The initial focus in 2015 was providing information and services for middle and high school students through the “Navigator” model and then later through the “Journey” module, which was expanded and made available to post-secondary students, all citizens in the state of Florida, and active military members stationed in the state. In 2016, the website was expanded and information was added on Bright Futures Scholarships, education planning integration, Florida-specific occupational data, and a Spanish version. In 2017,

information was added on career and technical courses for middle and high schools and meta majors for college planning.

This year, MyCareerShines is rolling out the “Galaxy” program that targets elementary students, and will provide additional skills for counseling, and additional avenues for collaboration among Florida postsecondary institutions.

Ms. Nashla Dawahre, Director of Student Services of Florida Virtual Campus and the Project Lead of MyCareerShines, provided a video demonstration of the utilization of MyCareerShines. She explained how students or citizens can create a personalized account for a more meaningful information-gathering experience. The program can enable a student to transition through each grade level with age-appropriate information. Ms. Dawahre reported that, to date, there have been 578,970 total registered users and 896,050 completed assessments. Of the total users, 83% are middle or high school students, 12% are college and university students, and 5% are adults. There are 2,719 participating middle or high schools and 452 colleges or adult agencies. Additionally, institutions are able to track students’ progress and assessments.

5. Multiple Accelerated Terms

Dr. Vicki Brown, Assistant Provost for eLearning at Florida Atlantic University, summarized the findings of the report: Evaluation of Accelerated Degree Models, that was completed by the Online Steering Committee’s Student Support Work Group. The workgroup surveyed state universities to identify which accelerated models that institutions are using and found three primary initiatives. The first program is “Multiple Starts” which provide embedded short-term courses or mini-mesters into the current semester structure. Multiple Starts also allows students to focus more on each class since their course load is not as large. The next model discussed was “Intersessions” which are extremely short semesters that fit between the traditional fall-to-spring, spring-to-summer, and summer-to-fall semesters. Dr. Brown reported that students are able to reduce time to graduation by enrolling in an additional course or courses between semesters. Finally, a “Rolling Enrollment” program is the most flexible and allows students to enroll at any time and requires universities to start students’ enrollment whenever they are ready. This could occur inside or outside the regular semesters. While it is the most difficult and costly model, it allows students to work at their own pace.

The Online Steering Committee approved the report and recommended that the report be posted on the Online Education link at the State University System Board of Governors website and to announce the report’s availability at the upcoming CAVP meeting. The Online Committee concurred and approved this action.

6. Concluding Remarks and Adjournment

Chair Morton discussed his participation in the Online Steering Committee meeting on the previous day, and summarized committee discussions that included the role of online learning in increasing graduation rates, cost containment initiatives, the alignment of online programs with the employment needs of Florida, and the need for expansion of electronic textbooks and innovative instructional materials.

Governor Morton adjourned the meeting at 9:30 a.m.

Edward Morton, Chair

Jon Rogers, Associate Vice Chancellor

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Innovation and Online Committee
November 8, 2018**

SUBJECT: Open Educational Resources (OER) and eTextbooks Workshop

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The Online Steering Committee has established a State University System OER/eText Workgroup to provide direction for the implementation of the affordability goals stated in the 2025 Strategic Plan for Online Education. The Workgroup, with representatives from throughout the SUS, is working to identify and promote methods to increase the use of open-access textbooks and educational resources to reduce the cost of instructional materials to students.

This Workshop will provide an update of national and SUS activities that are working to drive down the educational costs of students by providing expanded options for students to obtain and utilize instructional materials for their classes. A number of state university initiatives and university partnerships are now in place that are lowering costs for students. SUS faculty and administrators will provide information, supplemented by video testimonials, on the role of faculty in providing open access textbooks for their classes and working with students to lower their educational costs. Specifically, Florida International University's Affordability Counts initiative will be presented to the Committee. The Workgroup will also discuss the impact of open educational resources on student success and, ultimately, degree completion.

Supporting Documentation Included: SUS OER Reports

Facilitators/Presenters: Steering Committee's OER Workgroup

**BOARD OF GOVERNORS
Innovation and Online Committee
November 8, 2018**

Open Educational Resources (OER) Initiatives

Below is a sampling of OER initiatives that are being implemented in the State University System to promote educational efficiencies and to reduce the instructional costs for students.

Florida A & M University

Florida A&M University is in the process of establishing a committee to evaluate the use of Open Educational Resources (OERs) and eText. The Office of Academic Affairs is gathering information to identify the feasibility of utilizing OERs and eText in certain academic disciplines. Additionally, models and best practices are being evaluated that other institutions in the State University System are employing regarding incentivizing faculty to engage in the use of OER and eText initiatives to help reduce textbook costs for affordability and to improve student success.

Florida Atlantic University

FAU is using a multiple-prong approach to reduce the costs of textbooks to students. By using several strategies, FAU should be able to rapidly impact the cost of the textbooks. Below is a description of those strategies.

First Day - The goal of First Day is to ensure students access to textbooks on the first day of class. To achieve this goal, FAU is launching two pilot studies. In Spring 2019, a limited number of faculty will be able to guide students to purchase textbooks through Follett's Lumen Learning platform. The expectation is that textbooks purchased by students through the platform will be lower than purchasing directly from the textbook company. Through Lumen, FAU joins several institutions across the United States in leveraging group purchasing to reduce the overall costs to students. The second pilot is with the OER platform Engage through the Unizin agreement Summer 2019. The platform will provide ready access to OER and easy to use OER search tools to faculty and integration into Canvas courses.

ACT: Affordable Curriculum Today - The goal of this program is three-fold:

- (a) adoption encourages faculty to use library support services to search for OER and library materials to replace or supplement textbook material to reduce the cost of textbooks for students,
- (b) adaption provides faculty the resources to modify current textbooks or to replace textbook content with FAU faculty created material to reduce the cost of textbooks,
- (c) authorship incentivizes faculty to publish eTexts through FAU rather than a textbook company.

Florida Gulf Coast University

FGCU subject-specialist librarians are providing OER education and resources for FGCU faculty. In addition to personal consultations, a research guide is available (<http://fgcu.libguides.com/OER>) to introduce faculty to OER. The guide describes the foundations of OER and provides the user with resources such as the OER Metafinder Search Tool developed by George Mason University and links to open textbook resources and open access learning objects.

At the request of teaching faculty, librarians have purchased ebooks that serve as course textbooks; while these are not OER materials, the cost is borne by the University rather than by individual students. The second tab of the OER Research Guide provides an example of such ebooks. Subject and course-specific research guides are now included in all Canvas courses, connecting students and faculty with subject librarians and eresources in the Library's collection.

Finally, with the recent addition of EBSCO's Curriculum Builder, teaching faculty have the ability to build reading lists in Canvas from online databases.

Florida International University

FIU is committed to student success by reducing the costs of instructional material while still presenting high-quality content. Our current OER/eText initiatives include:

Affordability Counts

The Affordability Counts initiative encourages faculty to actively make conscientious course material selections when developing their courses. Faculty who reduce the total out-of-pocket expense of course materials for students to \$20 or less per credit are awarded the Affordability Counts medallion. Since the inception of the program, over 270 courses have been awarded the Affordability Counts medallion and this resulted in savings for students in excess of \$750,000. FIU Online is actively modifying our online presence to allow for other SUS members to implement the Affordability Counts initiative at their institution.

Affordability Counts Day

FIU hosts professional development workshops for faculty who are interested in lowering the cost of course materials. This annual event takes place every year during National Open Access Week. By attending, faculty receive assistance in identifying resources to lower the cost of course materials by adopting free, low-cost or open educational resources. Affordability Counts Day is a collaborative effort between FIU Online, the Center for the Advancement of Teaching and FIU Libraries.

OpenStax Partnership

FIU was selected as one of 11 institutions in the country to be part of the 2017-2018 OpenStax Institutional Partnership Program. FIU began the program in July 2017 and through the growth of OER adoptions, over 11,500 students have benefitted from taking a course with OER materials.

FIU is actively participating in OpenStax initiatives and in promoting OER adoption at our institution through our development process, the FIU Online conference, and other direct tactics.

Complete Florida Grant

The Complete Florida grant awarded to FIU will be used to strategically target OER adoption in undergraduate core curriculum courses in an effort to support student success during the critical first two years. Faculty who adopt and/or modify existing OER materials specifically for a core course will receive a development incentive provided through the Complete Florida grant.

Florida State University

FSU and the FSU Libraries are developing a variety of initiatives in support of OER. Below is a quick summary of recent activity and the impact of those activities which are expected to save students in excess of \$1M per year.

FSU Libraries are promoting the third round of our Alternative Textbook Grants (ATG) program this fall (<https://www.lib.fsu.edu/alttextbooks>). Due to the continued success of this program, our total funding allocation has increased from \$15,000 in FY 2017-18 to \$28,000 in FY 2018-19, thanks in large part to a generous contribution of \$18,000 from FSU's Office of International Programs. The total projected savings to students generated by the 21 \$1,000 grants awarded to date are expected reach \$269,580 by summer 2019 (based on the new print cost of the required course materials replaced by each of the 21 grantees).

Remarkable savings have been achieved by instructors adopting OERs. For example, curriculum committees in FSU's Chemistry and Physics departments have adopted OpenStax textbooks for CHM 1045, CHM 1046, PHY 2053, and PHY 2054 - adoptions which could save FSU students up to \$1,049,214.25 annually in these courses alone (again, based on the new print cost of previously required course materials).

The FSU Libraries are currently recruiting faculty and campus partners to attend on-campus Open Textbook Network (OTN) workshops on October 25th, as part of FSU's institutional membership with the OTN.

University of Central Florida

The University of Central Florida employs a variety of strategies to help reduce the cost of course materials.

Since 2015, a working group composed of instructional designers and librarians has worked with other campus partners to help 46 unique teaching faculty transition from traditional textbooks to no/low-cost alternatives. These faculty have taught 115 course sections, in turn saving over 6,200 students more than \$650,000 (see table below to get a sense of the various approaches).

This fall semester a print textbook reserve collection was added to the library, with an emphasis on high DFW, high enrollment GEP classes. This collection supports over 13,000 students enrolled in 432 sections, with initial funding provided by the library. A textbook affordability / student success librarian position recently was funded out of the Provost's Office. This illustrates that the topic is of interest to administrators and that they think it has the potential to positively impact student success, performance funding, and institutional goals.

Summer 2016-Summer 2018; by type of adoption

	Unique faculty	Sections	Students	Potential Savings
Create an OER	3	9	454	\$ 31,780
Replace with a library ebook	36	75	2,812	263,551
Adopt existing OER	7	31	2,952	361,779
TOTAL	46	115	6,218	\$657,110

Our partnership between the Center for Distributed Learning, the Library, and the Faculty Center for Teaching and Learning has been especially fruitful. These programs include faculty development institutes and conferences, Teaching and Learning Days, and the GEP "refresh" initiative. Recently, we presented the topic to the Faculty Senate, which assigned it to a steering committee. We also met with the Student Government Association, which is considering allocating funding to support the print textbook reserve collection.

We were recently awarded a Complete Florida grant. Select instructional designers and librarians are working with six faculty as they create OERs for five courses. The OERs will be shared in the Orange Grove repository in 2019.

Finally, instructional designers are working with individual faculty to explore the potential of Unizin Engage and Pressbooks to support students on a larger scale.

University of Florida

Affordable UF



The University of Florida's Office of Faculty Development & Teaching Excellence (FDTE) has collaborated with organizations on-campus, as well as at other peer institutions on three initiatives. First, FDTE has partnered with the UF Libraries to create the [Affordable UF badge initiative](#). The program, modeled after FIU's Affordability Counts, awards badges to courses using materials that cost \$20 or less per credit hour. The [Affordable UF website](#) displays 900+ courses that have earned the badge during the current fall 2018 term. These courses display the Affordable UF icon within the student-facing textbook adoption information.

OER Integrated with Mathematics Problems

UF has implemented an open source homework system developed by [Ohio State University](#) that has saved 3,500 students approximately \$220,000 during fall of 2018 alone. The tool incorporates OER with interactive problem solving and replaces the Cengage product WebAssign in two calculus sequence courses: MAC 2311 and MAC2312 as well as MAC1140 – Precalculus Algebra and MAC1105 College Algebra. UF hosted a Ximera workshop open to all Florida and Unizin schools at the end of October, 2018. Future expansion of Ximera includes the increased support for individual student learning needs.

Volume Pricing for eTextbooks

The University of Florida has developed UF All Access in partnership with our bookstore Follett to provide volume pricing for eTextbooks. From summer 2014 through summer 2018, UF All Access has saved students \$3,848,986.60 versus the full publisher pricing for the etext and homework systems. During the 2018 calendar year, 416 courses have participated in the program.

University of North Florida

UNF launched an initiative in AY18 to support and expand the use of OER materials. The [OER Initiative](#) is a joint project of the [Center for Instruction and Research Technology \(CIRT\)](#) and the [Thomas G. Carpenter Library](#) that seeks to lower college costs for UNF students by encouraging faculty to adopt quality open resources in their courses. An OER hub was developed in Canvas to provide faculty with course redesign support as well as resources for locating and reviewing OER content, and faculty received direct support from instructional designers and librarians.

In the first year, 16 faculty proposals to redesign courses using OER were accepted. To qualify for the initiative, all required textbooks must be available at no cost and the cost of any other instructional materials may not exceed \$25. Those 16 courses represent potential annual student cost savings of approximately \$386,324. **The OER courses from this initiative taught in Summer and Fall 2018 have already saved UNF students \$52,450.** Students report that they like digital access to text materials.

A student in an Electrical Engineering course that was converted to OER materials commented:

“Textbooks are far too expensive to be worth the hundreds of dollars that we are charged and I hope that some of my other classes take this approach to save us students”

Next Steps

For AY19, up to 20 additional course proposals will be accepted and supported. The initiative will also seek to engage with an academic program or department that seeks to redesign all of its courses to use OER materials.

University of South Florida

The University of South Florida Libraries has been a long-time supporter of open educational resources (OER) with various initiatives conducted throughout recent years:

USF Scholar Commons

The USF Libraries host 12 open access textbooks on our institutional repository, Scholar Commons, where there are over 701,251 downloads of this content. Of those open access textbooks, 7 were authored by USF faculty.

Intellus Learning

The USF Libraries submitted a proposal and received a USF Student Technology Fee reward to acquire Intellus Learning, a tool that will be integrated into Canvas and is designed to help faculty adopt open access content and library content in lieu of expensive textbooks.

USF Libraries and Innovative Education's Open Access Publishing Partnership

Dr. Jennifer Schneider, USF faculty member, worked with Innovative Education and the USF Libraries in Spring 2016 to publish the open access textbook, *The Inside, Outside, and Upside Downs of Children's Literature: From Poets and Pop-ups to Princesses and Porridge*. The USF Libraries and Innovative Education continue to partner with College of Engineering Professor Dr. Kingsley Reeves to facilitate the publication of an open access textbook for engineering students.

Textbook Affordability Days Event

The USF Libraries held a two-day textbook affordability event featuring Open Textbook Network workshops for faculty, faculty adoption support staff, and campus leadership on adopting open access textbooks. Overall 68% of faculty who attended the workshops are now adopting or are considering adopting an open access textbook. The Chemistry Department at the Tampa Campus attended the event and has since adopted open access textbooks for their CHM2045 and CHM2046 general chemistry courses, replacing the previously required \$322.50 textbook.

Open Textbook Network (OTN)

USF is a member of OTN, along with over 379 colleges and universities. The focus of OTN is developing expertise on campuses and encouraging faculty to adopt, adapt, and create OER while protecting academic freedom. In January of 2018, OTN trainers conducted workshops for USF faculty, department chairs, and deans to raise awareness of the value of open access content.

Institution-Wide Analysis

A comprehensive analysis of all undergraduate USF textbook adoptions (all programs, all campuses) has just concluded phase one. Phase two will focus on recommendations for OER adoption options.

Florida Virtual Campus - Complete Florida

Because textbook costs affect student success and graduation rates, Complete Florida issued a challenge of up to \$60,000 to Complete Florida partner institutions to encourage the use of Open Educational Resources (OER). The challenge is for adoption, adaption, and creation of OER for Complete Florida Programs or general education courses. These awards will identify and develop needed OER resources in high-demand courses, support the development of Z-degree programs, and provide OER faculty training. Evaluation data from the Complete Florida OER challenge awards will identify additional target courses that will result in the greatest cost savings for students. Complete Florida partner institutions have set goals to create, adapt, or adopt OER materials for more than 75 courses by June of 2019.

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Innovation and Online Committee
November 8, 2018**

SUBJECT: Recognition of Exemplary Online Student

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

To promote the impact of online education in the State University System and to recognize the accomplishments of individual online students, the Committee will recognize Ms. Jazmin Campos, a student in the MBA Online program at Florida Atlantic University, who is successfully pursuing an online graduate degree program and is scheduled to graduate this December.

Through an International Business Operations online course at FAU, Ms. Campos was one of 150 students from 43 countries invited to participate in the 2017 X-Culture Symposium in Miami. She participated in a Business Consulting Challenge, competing with peers from around the world on an international business challenge and won first place. Ms. Campos was then invited to attend the 2017 Academy of International Business (AIB) Southeast Conference in Washington, D.C. where her student team won the 2017 X-Culture Team Challenge Runner-Up Award. At this conference, Ms. Campos's team also pitched a business idea to a panel of potential investors and won the 2017 X-Culture Business Proposal Elevator Pitch Challenge.

This past summer, Ms. Campos was invited to participate in the 2018 Global X-Culture Symposium that took place in Macerata, Italy. She was one of 14 ambassadors who assisted with the planning and operations of the Symposium.

Supporting Documentation Included: None

Facilitators/Presenters: Ms. Jazmin Campos, FAU MBA Online



STATE
UNIVERSITY
SYSTEM
of FLORIDA
Board of Governors

AGENDA
Facilities Committee
Live Oak Pavilion
Student Union
Florida Atlantic University
777 Glades Road
Boca Raton, Florida 33431
November 8, 2018
9:30 a.m. – 10:15 a.m.

or
Upon Adjournment of Previous Meetings

Chair: Mr. H. Wayne Huizenga, Jr.; Vice Chair: Dr. Fernando Valverde
Members: Felton, Jordan, Kitson, Lautenbach, Morton, Patel

1. **Call to Order and Opening Remarks** **Governor H. Wayne Huizenga, Jr.**
2. **Minutes of Committee Meeting** **Governor Huizenga**
Minutes, September 13, 2018
3. **Amend 2019-2020 SUS Fixed Capital Outlay** **Mr. Chris Kinsley**
Legislative Budget Request *Assistant Vice Chancellor for*
Finance & Facilities
4. **University of South Florida, St. Petersburg Housing -** **Mr. Kinsley**
Request for Debt Authorization
5. **Concluding Remarks and Adjournment** **Governor Huizenga**

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Facilities Committee
November 8, 2018**

SUBJECT: Minutes of Meeting held September 13, 2018

PROPOSED COMMITTEE ACTION

Approve the minutes from the meeting held on September 13, 2018

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Committee members will review and approve the minutes of the Facilities Committee meeting held on September 13, 2018, at New College of Florida.

Supporting Documentation Included: Minutes: September 13, 2018

Facilitators/Presenters: Governor H. Wayne Huizenga, Jr.

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
FACILITIES COMMITTEE
NEW COLLEGE OF FLORIDA
SARASOTA, FLORIDA
SEPTEMBER 13, 2018

*Video or audio archives of the meetings of the Board of Governors
and its Committees are accessible at <http://www.flbog.edu/>.*

Governor H. Wayne Huizenga, Jr., Chairman, convened the meeting of the Board of Governors Facilities Committee meeting at 9:21 a.m., September 13, 2018. The following members were present: Shawn Felton, Sydney Kitson, Ned Lautenbach, Edward Morton, Jay Patel and Fernando Valverde. Other Board members present included: Tim Cerio, Alan Levine, Wendy Link, Norman Tripp, and Jalisa White.

1. Call to Order and Opening Remarks

Chairman Huizenga called the meeting to order.

2. Minutes of Committee Meetings: Governor Huizenga

Governor Valverde moved that the Committee approve the minutes of the Facilities Committee meeting held June 27, 2018, at the University of Central Florida. Governor Kitson seconded the motion, and it passed unanimously.

3. 2019-2020 SUS Fixed Capital Outlay Legislative Budget Request

Chairman Huizenga, called on Mr. Chris Kinsley, Assistant Vice Chancellor for Finance and Facilities, to discuss the LBR items. Mr. Kinsley asked that the committee adopt a lump-sum LBR for PECO funds and for CITF. He noted the lump-sum allocations for PECO have been provided by the Department of Education, and that the amounts will be the same as those adopted by the State Board of Education. The maintenance, repair, and renovation/remodeling for the next three years are as follows: 2019-2020 will be \$51.9 million, 2020-2021 will be \$54.8 million, and 2021-2022 will be \$57.3 million. Mr. Kinsley then provided estimates for named projects. The estimates for the next three years are as follows: 2019-2020 the estimate is \$64.9 million, 2020-2021 the estimate is \$68.5 million, and 2021-2022 the estimate is \$71.6 million. Mr. Kinsley stated the recommendation is \$44 million for CITF.

Mr. Kinsley opened the floor for questions, there being none, Chairman Huizenga called for a motion to adopt the 2019-2020 SUS Fixed Capital Outlay Legislative Budget Request. Governor Morton moved to approve, Governor Patel seconded, and the motion passed unanimously.

4. Florida A&M University Housing – Request for Debt Authorization

Chairman Huizenga summarized the proposed action item for Florida A&M University and the need for housing, the proposal being put forth, and the conditions found in the resolution related to FAMU's new housing. Chairman Huizenga opened the floor for questions. Chairman Huizenga asked Mr. Kinsley to provide an overview. Vice Chair Kitson raised concerns regarding the budget. Mr. Kinsley noted the recommendation that FAMU not move forward with closing the transaction with the USDOE until after the guaranteed maximum price is received which is estimated to be in December. If the guaranteed maximum price exceeds the budget, the institution will not be able to move forward. Mr. Kinsley answered additional questions regarding management of the project, as well as staff involvement, and ongoing reports for staff and the Board. The exceptions to the guidelines and the conditions that go along with those exceptions were identified. The Board staff recommended that the Board consider adding the following as conditions to the approval of the transaction:

- 1) The University develop a robust contingency plan to address failure of some or all of the Project to open for occupancy as scheduled.
- 2) The University report on a monthly basis to Board staff on all aspects of the Project until such time as the Board determines this is no longer required.
- 3) The University submit to Board staff the close-out report at the end of each development phase; Conceptual/Schematic Design, Design Development, Construction Documents (30%, 60%, and 100%) and Design Build.
- 4) The University submit to Board staff a draft GMP contract by January 24, 2019.
- 5) The University continue to pursue outsourcing of Housing maintenance.
- 6) The University to report its progress in addressing its Housing System Deferred Maintenance needs, as shown in the Facility Condition Assessment Executive Summary prepared by ISES Corporation in February 2018, to the Board of Governors on an annual basis.
- 7) The University may not transfer any housing system moneys from the housing system for non-housing system purposes, except for the housing system's reasonable share of general University overhead expenses, until such time as all existing Housing System Deferred Maintenance has been addressed.
- 8) The University may not request any additional housing system debt, or request approval to enter into housing-related public private partnership arrangements, until 1)

the completion of the Project, and 2) a Facility Condition Assessment is performed which indicates that the University is making substantial progress in addressing Housing Deferred Maintenance.

It appears that the proposed financing is in compliance with the Florida Statutes governing the issuance of university debt and is generally in compliance with the Board of Governors Debt Management Guidelines dated September 22, 2016, except for 1) the extended maturity on the 2012A debt; 2) delayed principal amortization (on the new money piece); 3) non-level debt service; and 4) the contemplated financing is taxable debt.

Chairman Huizenga asked if there is any other further discussion. There being none, Chairman Huizenga called for a motion to adopt a resolution approving the issuance of fixed rate, taxable revenue bonds, by the Division of Bond Finance on behalf of the University, in an amount not to exceed \$125,000,000 for the purpose of financing (i) the refunding and restructuring of all the University's existing housing revenue bonds and (ii) construction and equipping of a new student housing facility and a new dining facility on the main campus of Florida Agricultural and Mechanical University, with the added condition that a final Guaranteed Max Price (GMP) contract will be submitted by CTG to the University, and copied to Board staff, on or before January 24, 2019, and prior to the closing of the proposed financing. Governor Patel moved to approve, Governor Kitson seconded, and the motion passed with approval by all members.

5. University of Central Florida – Sanford Burnham

Chairman Huizenga called on Mr. Kinsley to give a brief explanation of the Sanford Burnham transaction. Mr. Kinsley discussed the property which is owned by Orange County. Orange County offered UCF an opportunity to purchase the property for \$50 million instead of entering into a 20 year lease. Mr. Kinsley explained that the purchase is government to government and the mortgage note is with Orange County. UCF will pay Orange County \$2 million over the next 20 years and then they will pay them \$1 million dollars over the remaining 10 years. Half of the building will be available for the university's use and half will be leased to two not-for-profit entities. The payment from the entities will be paid to Orange County to cover the \$2 million. The Board's General Counsel advised that the transaction did not require the Board's approval. The transaction is closed and the deed has been executed. The Board will discuss and consider amending Board Regulation 17.001, Lease Authority, at a future meeting so that similar purchases are more collaborative.

6. University of Central Florida – Colburn Hall

Chairman Huizenga called upon President Whittaker and Chairman Marchena to discuss an informational item regarding the meeting held on September 6, 2018, by the

UCF Board of Trustees to address an inappropriate use of over \$38 million of state funds used to construct a new facility on the UCF main campus.

The Committee made several requests of UCF, including a request to not take any further steps towards the development of new projects until such time as the Trustees complete the implementation of procedures set out on at their meeting held September 6th, and verified by Board staff.

7. University of Central Florida – Lake Nona

UCF withdrew the College of Nursing proposal with the commitment to take no further action until it has completed the review of Colburn Hall and responded to the Board of Governors. UCF understands the need for presentation on the College of Nursing at a future Board meeting.

8. Concluding Remarks and Adjournment

Governor Patel would like to take up the proposed revisions to the P3 Guidelines at a future meeting. There being no further business, Chairman Huizenga adjourned the meeting at 10:28 a.m. (ET), September 13, 2018.

Chris Kinsley, Assistant Vice Chancellor
Facilities

H. Wayne Huizenga, Jr., Chair

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Facilities Committee
November 8, 2018**

SUBJECT: 2019-2020 State University System Fixed Capital Outlay Legislative Budget Request

PROPOSED COMMITTEE ACTION

Review and approve the 2019-2020 SUS Fixed Capital Outlay Legislative Budget Request

Approval is recommended by the Chancellor

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The requested budget provides the State University System of Florida continued capital outlay support and has been prepared in accordance with statutory requirements and guidelines adopted by the Board of Governors. All university fixed capital outlay budget requests have been approved by the institutional boards of trustees.

The Board adopted a lump sum budget for PECO and CITF as the initial budget request for 2019-2020. The proposed amounts are in accordance with the official estimated amounts as provided by Florida law. A workshop was conducted October 16, 2018, at USF. At the workshop, the Committee reviewed selected high priority PECO projects with detailed project presentations by university representatives.

Specific Fixed Capital Outlay Appropriation Requests

I. PECO 2019-2020 SUS Three Year Fixed Capital Outlay Prioritized Request
provides funding for:

A) Maintenance, Repair, Renovation and Remodeling:	
2019-20	\$51,984,579
2020-21	\$54,891,599
2021-22	\$57,326,799

B) SUS Projects:

2019-20	\$ 64,929,490
2020-21	\$ 68,560,400
2021-22	\$ 71,602,000

C) Request for Legislative Authorization

Supporting Documentation:

1. 2019-2020 Fixed Capital Outlay Request
2. Legislative Authorization Requests

Facilitators/Presenters:

Mr. Chris Kinsley

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
2019-2020 Fixed Capital Outlay Request (Excluding CITF)

		2019-20	2020-21	2020-22
Total PECO cash K-20	Based on EDR PECO Estimating Conference 8/1/18	\$347,700,000	\$366,800,000	\$382,800,000
Total PECO cash allocation to the SUS	Based on 5 Year Average of Appropriations (provided by Commissioner of Ed.)	\$116,914,069	\$123,451,999	\$128,928,799

Priority #	University Name	Maintenance Request	2019-20	2020-21	2020-22
1	SUS	Maintenance, Repair, Renovation & Remodeling (MRR&R)	\$51,984,579	\$54,891,599	\$57,326,799

Priority #	University Name	Project Name	Total Project Cost ¹			Prior State Funding	Other Funding Available ²	Remaining PECO Need	2019-20	2020-21	2021-22	2022-23
			Last Year	This Year	Difference							
2	FAU	Jupiter STEM/Life Sciences Bldg.	\$34,000,000	\$35,000,000	\$1,000,000	\$12,881,247	\$0	\$22,118,753	\$22,118,753			
3	NCF	Multi-Purpose Building ³	\$46,000,000	\$47,000,000	\$1,000,000	\$0	\$0	\$47,000,000	\$10,000,000	\$10,000,000		
4	USF	Morsani College of Medicine and Heart Health Institute	\$153,000,000	\$153,000,000	\$0	\$97,893,118	\$40,451,882	\$14,655,000	\$14,655,000			
5	FPU	Applied Research Center	\$35,000,000	\$39,000,000	\$4,000,000	\$7,000,000	\$20,873,150	\$11,126,850	\$5,563,425	\$5,563,425		
6	FAMU	Student Affairs Building (CASS)	\$40,000,000	\$41,000,000	\$1,000,000	\$16,155,000	\$0	\$24,845,000	\$5,000,000	\$8,000,000	\$11,845,000	
7	FGCU	School of Integrated Watershed and Coastal Studies	\$52,000,000	\$56,000,000	\$4,000,000	\$30,553,504	\$0	\$25,446,496	\$5,000,000	\$15,000,000	\$5,446,496	
9	FSU	Interdisciplinary Research Commercialization Bldg (IRCB)	\$88,000,000	\$88,000,000	\$0	\$16,274,101	\$44,000,000	\$27,725,899	\$2,592,312	\$10,937,598	\$14,195,989	
10	FIU	Engineering Building Phase I & II	\$150,000,000	\$150,000,000	\$0	\$30,641,537	\$45,000,000	\$74,358,463	\$0	\$8,000,000	\$10,000,000	\$56,358,463
11	UF	Data Science and Information Technology Building	\$125,000,000	\$125,000,000	\$0	\$50,000,000	\$25,000,000	\$50,000,000	\$0	\$8,000,000	\$10,000,000	\$32,000,000
12	FAMU/FSU	College of Engineering Building C	\$0	\$0	\$0	\$0	\$0	\$87,000,000	\$0	\$3,059,377	\$10,114,515	\$73,840,623
13	FSU	College of Business	\$88,000,000	\$88,000,000	\$0	\$13,500,000	\$44,000,000	\$30,500,000	\$0	\$0	\$10,000,000	\$20,500,000
Not Funded	UWF	Campus Roof Critical Replacement	\$0	\$8,000,000	\$8,000,000	\$0	\$0	\$8,000,000	-	-	-	-
Not Funded	FSU	STEM Teaching Lab	\$45,000,000	\$46,000,000	\$1,000,000	\$4,233,813	\$0	\$41,766,187	-	-	-	-
Not Funded	USF	Interdisciplinary Science - Research Lab Build Out	\$84,000,000	\$84,000,000	\$0	\$74,732,583	\$0	\$9,267,417	-	-	-	-
Not Funded	UNF	Roy Lassiter Hall Renovations	\$5,000,000	\$5,000,000	\$0	\$0	\$0	\$5,000,000	-	-	-	-
Not Funded	UF	New Music Building Renovations & Addition	\$38,000,000	\$55,000,000	\$17,000,000	\$5,927,338	\$0	\$49,072,662	-	-	-	-
Not Funded	UNF	Honors Hall & Coggin Business - Renovations, Additions	\$24,000,000	\$24,000,000	\$0	\$0	\$0	\$24,000,000	-	-	-	-
Not Funded	UCF	Engineering Building I Renovation	\$23,000,000	\$24,000,000	\$1,000,000	\$3,620,723	\$0	\$20,379,277	-	-	-	-
		Subtotal Projects	\$973,000,000	\$1,009,000,000	\$36,000,000	\$346,910,994	\$219,325,032	\$529,763,974	\$64,929,490	\$68,560,400	\$71,602,000	\$182,699,086
TOTAL MRR&R and PROJECTS									\$116,914,069	\$123,451,999	\$128,928,799	\$182,699,086

1) Total Project Cost rounded to nearest \$ million

2) Other Funding Available is from legally available sources, such as private donations and federal grants, not E&G Carryforward

3) FY19-20 and FY20-21 funding of \$20M represents the funding needed for the first phase of the Multi-Purpose Building

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Facilities Committee
November 8, 2018

Legislative Authorization Requests

From the unexpended balance of funds appropriated in Specific Appropriation Section 34, Chapter 2017-233, Laws of Florida, for the renovation of the University of Florida Music Building (HB 2663) \$5,927,338 shall revert immediately and is appropriated in the same category the planning and construction of the new Music Building at the University of Florida.

From the unexpended balance of funds appropriated in Specific Appropriation Section 34, Chapter 2017-233, Laws of Florida for the Florida State University STEM Teaching Lab, \$4,233,813 shall revert immediately and is appropriated in the same category to the Interdisciplinary Research Commercialization Building (IRCB) at Florida State University.

The University of South Florida is hereby authorized to expend reserve or carry forward balances from operational and programmatic appropriations which may exist as of July 1, 2019 an amount not to exceed \$9,267,417 for the Interdisciplinary Science – Research Lab Build Out.

The University of West Florida is hereby authorized to expend reserve or carry forward balances from operational and programmatic appropriations which may exist as of July 1, 2019 in an amount not to exceed \$8,000,000 for Campus Roof Replacement.

The University of North Florida is hereby authorized to expend reserve or carry forward balances from operational and programmatic appropriations which may exist as of July 1, 2019 in an amount not to exceed \$5,000,000 for the Renovation of Roy Lassiter Hall.

The Florida State University is hereby authorized to expend reserve or carry forward balances from operational and programmatic appropriations which may exist as of July 1, 2019 in an amount not to exceed \$1,500,000 towards planning and design of the FAMU/FSU College of Engineering Building C.

The Florida Agricultural and Mechanical University is hereby authorized to expend reserve or carry forward balances from operational and programmatic appropriations which may exist as of July 1, 2019 in an amount not to exceed \$1,500,000 towards planning and design of the FAMU/FSU College of Engineering Building C.

The University of Central Florida is hereby authorized to expend reserve or carry forward balances from operational and programmatic appropriations which may exist as of July 1, 2019 in an amount not to exceed \$20,379,277 for the Renovation of Engineering Building I.

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

Facilities Committee

November 8, 2018

SUBJECT: Resolution of the Board of Governors authorizing the USF Financing Corporation to issue \$33,000,000 of revenue bonds on behalf of the University of South Florida for the purpose of constructing a new residence hall and associated dining facility on the St. Petersburg campus of the University

PROPOSED COMMITTEE ACTION

Adoption of a resolution approving the issuance of fixed rate, tax-exempt revenue bonds, by the USF Financing Corporation (the “DSO”) on behalf of the University of South Florida (the “University”), in an amount not to exceed \$33,000,000 (the “Bonds”) for the purpose of financing construction and equipping of a new student housing facility and a new dining facility shell space (collectively, the “Project”) on the St. Petersburg campus of the University.

Staff of the Board of Governors, State University System of Florida, and the Division of Bond Finance, State Board of Administration of Florida, has reviewed this resolution and all supporting documentation. Based upon this review, it appears that the proposed financing is in compliance with Florida Statutes governing the issuance of university debt. Accordingly, staff of the Board of Governors recommends adoption of the resolution and authorization of the proposed financing.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Florida Board of Governors Debt Management Guidelines; Section 1010.62, Florida Statutes; and Article IX, Section 7, Florida Constitution.

BACKGROUND INFORMATION

The proposed housing project will be located on the St. Petersburg campus and will consist of a 6-story building, comprising approximately 125,000 square feet of space and 375 beds in suite style configuration, primarily (60%-75%) 4 bed-2 bath single-occupancy units, with the remainder as 2 bed-1 bath double-occupancy units. The Project includes a dining facility shell space of approximately 12,000 square feet. The Project is consistent with the University’s Campus Master Plan.

Construction of the Project is estimated at a total cost of \$30.7M, including \$27.2M for the housing facility, \$2.2M for the dining facility shell and \$1.3M site work and contingencies.

The Project will be financed by fixed rate, tax-exempt bonds issued by the USF Financing Corporation (the “DSO”), in an amount not exceeding \$33,000,000, inclusive of a capitalized interest and cost of issuance. The Bonds will be structured with level debt service and a final maturity no more than 30 years after issuance.

Gross housing system revenues will be pledged for the payment of debt service. These revenues gross income, fees, rentals and other charges received by the DSO or the University on behalf of the DSO derived from housing system facilities, including parking facilities and the retail and commercial uses comprising a part of the housing system.

Projections provided by the University indicate that sufficient net revenues will be generated to pay debt service on the Bonds.

The Project and the financing thereof was approved by the DSO Board of Directors, at its July 9, 2018 meeting, and the University Board of Trustees, at its July 24, 2018 meeting.

Supporting Documentation Included:

1. Requesting Resolution
2. Project Summary
3. Estimated Sources and Uses of Funds
4. Historical and Projected Debt Service Coverage
5. IRR Calculation
6. Division of Bond Finance memorandum

Facilitators/Presenters: Mr. Chris Kinsley

A RESOLUTION APPROVING THE ISSUANCE OF DEBT BY THE USF FINANCING CORPORATION ON BEHALF OF THE UNIVERSITY OF SOUTH FLORIDA TO FINANCE THE CONSTRUCTION OF A STUDENT HOUSING FACILITY AND ADJACENT DINING HALL ON THE ST. PETERSBURG CAMPUS, IN AN AMOUNT NOT TO EXCEED \$33,000,000; AND PROVIDING AN EFFECTIVE DATE.

The duly acting and appointed Board of Governors (the “Board of Governors”) of the State University System of Florida at a meeting duly held pursuant to notice and a quorum being present do hereby make the following resolutions:

BE IT RESOLVED:

1. Findings. The Board of Governors hereby finds as follows:

(A) Pursuant to Article IX, Section 7 of the Florida Constitution, the Board of Governors is vested with the power to operate, regulate, control and manage the State University System of Florida. The Board of Governors is further vested with the authority to approve the issuance of revenue bonds by the USF Financing Corporation (the “DSO”), on behalf of the University of South Florida (the “University”), pursuant to Section 1010.62(3), Florida Statutes.

(B) The Board of Trustees of University has requested approval from the Board of Governors to issue bonds, not to exceed \$33,000,000 (the “Bonds”), through the DSO, for the purpose of financing: (i) construction and equipping of a new student housing facility and a new dining facility shell space (collectively, the “Project”) on the St. Petersburg campus of the University; (ii) capitalized interest; and (iii) certain costs associated with issuing the Bonds, collectively referred to herein as the “Financing Plan”.

(C) The Project will be part of the housing system at the University, and will consist of approximately 375 beds and an integrated dining facility shell space.

(D) Upon consideration of the Financing Plan, the Board of Governors further finds that the issuance of the Bonds is for a purpose that is consistent with the mission of the University; is structured in a manner appropriate for the prudent financial management of the University; is secured by revenues adequate to provide for all debt service payments; has been properly analyzed by the staffs of the Board of Governors and the Division of Bond Finance; and is consistent with the Board of Governors’ Debt Management Guidelines.

(E) The Board of Governors declares that the Project will serve a public purpose by providing housing and dining facilities at the University.

(F) The Project is included in the master plan of the University.

2. Approval of the Project. The Project is approved by the Board of Governors as being consistent with the strategic plan of the University and the programs offered by the University.

3. Approval of the Bonds. The Board of Governors hereby approves issuance of the Bonds by the DSO for the purposes described herein, in an amount not to exceed \$33,000,000, said Bonds to have a final maturity not to exceed thirty (30) years from issuance and at a fixed rate of interest acceptable to the DSO. This approval is conditioned upon the Debt being secured by and payable solely from revenues legally authorized for such purpose pursuant to Section 1010.62, Florida Statutes, those being limited hereby to revenues derived from or attributable to housing facilities owned by the DSO on the Tampa and St. Petersburg campuses of the University; the structured parking facility located on the St. Petersburg campus and revenues from leasing of the commercial and retail space in such parking facility. The Debt may not be secured by or be payable from any revenues or fees derived from or attributable to the Marshall Center on the Tampa campus or any portion of activity and service fees allocable to the Tampa campus. The Debt may be sold by negotiated sale consistent with the proposed Financing Plan or by competitive sale.

4. Compliance. The Board of Governors will comply, and will require the University and the DSO to comply, with all covenants and other legal requirements relating to the Bonds.

5. Repealing Clause. All resolutions of the Board of Governors or parts thereof, in conflict with the provisions herein contained, to the extent they conflict herewith, are, to the extent of such conflict, hereby superseded and repealed.

6. Authorization of Further Actions by the Board. The members of the Board of Governors, attorneys, or other agents or employees of the Board of Governors are hereby authorized and directed to do all acts and things required of them by this resolution or desirable or consistent with the requirements hereof, to assure the full, punctual and complete performance of all the terms, covenants and agreements contained in the Bonds and this resolution; including execution of such documents, certificates, contracts and legal opinions and other material delivered in connection with the construction or financing of the Project for use by the University, the issuance of the Bonds or as necessary to preserve the exemption from the taxation of interest on any of the Bonds which are tax-exempt, in such form and content as the Chair, Vice Chair or

authorized officers executing the same deem necessary, desirable or appropriate.

7. Effective Date. This resolution shall become effective immediately upon its adoption.

Adopted this 8th day of November, 2018.

CERTIFICATE OF THE CORPORATE SECRETARY

The undersigned, Corporate Secretary of the Board of Governors, does hereby certify that the attached resolution relating to the issuance of Bonds by the Division of Bond Finance of the State Board of Administration of Florida on behalf of the University of South Florida is a true and accurate copy as adopted by the Board of Governors on November 8, 2018, and said resolution has not been modified or rescinded and is in full force and effect on the date hereof.

**STATE UNIVERSITY SYSTEM OF
FLORIDA BOARD OF GOVERNORS**

Dated: _____, 2018

By: _____
Corporate Secretary

00538599.1

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Project Summary
University of South Florida
USF St. Petersburg Student Housing and Dining Facility**

Project Description: The University of South Florida St. Petersburg (“USFSP” or “University”) submitted a proposal dated July 27, 2018 for financing the construction of a new 6-story mixed-use facility comprised of student housing and a dining facility shell (together, the “Project”). Project financing will be through the issuance of debt by the USF Financing Corporation (the “DSO”) in an expected amount not to exceed \$33M as well as an \$800K equity contribution by the University.

The student housing facility will be approximately 125,000 square feet, with 375 beds in suite style configuration, comprised primarily (60%-75%) of 4 bed-2 bath single-occupancy units, with the remainder as 2 bed-1 bath double-occupancy units. Approximately 30-40 of the single-occupancy units will be designated “flex” units; capable of converting to double-occupancy. The anticipated design will include a student lounge and study room on each floor as well as community laundry space. When added to USFSP’s existing 541 beds, aggregate on-campus housing capacity will increase to a projected 20% of overall student enrollment.

The dining facility shell will be approximately 12,000 square feet and accommodate approximately 400 seats. The facility is integrated into the student housing component, will be available for all USFSP on-campus resident students and will be operated by the University’s current dining services operator, Sodexo, pursuant to a 10-year contract. Sodexo will be responsible for costs for build-out (interior) and equipping of the dining facility.

The Project is included in the campus master plan and it addresses projected student demand for housing and dining.

Site Location: The Project will be located near the northwestern corner of campus on the NW corner of 3rd street and 6th Avenue.

Projected Start and Opening Date: The Project was approved by the DSO Board of Directors and the USF Board of Trustees on July 9 and July 24, 2018, respectively.

Project design is expected to commence in November 2018 and the Project is expected to be complete in July 2020.

On July 27, 2018, the DSO initiated a competitive procurement process for design and construction services. Five proposals were received from qualified, experienced firms by the September 7 due date. On October 11, 2018, the Beck Group, an experienced firm who has successfully completed large projects for the University, was selected as the design-builder for the Project. The Beck Group is committed to deliver the Project in July 2020 at a guaranteed maximum price of \$30.7 million.

Construction Phase: The University expects Project design to commence in November 2018, followed by the commencement of construction in February 2019, and Project completion in July 2020 (21 months in total).

Project Cost: The University expects construction cost for the proposed housing facility and dining hall to total \$30.7M, including \$27.2M for the housing facility, \$2.2M for the dining hall shell space and \$1.3M in contingencies, resulting in a per-bed cost of \$78,700 and a bond amount of \$33M. (See *Estimated Sources and Uses of Funds*).

Operation of the dining facility will be outsourced to the current USFSP dining service operator, Sodexo, who will also be responsible for interior build-out and equipping of the facility at an estimated cost of approximately \$2.8M. Sodexo will recoup its upfront investment through meal plan revenues stemming from a 10-yr dining services contract. Although the University requires student residents on the USFSP campus to purchase a meal plan, the University is not guaranteeing any specific number of meal plans or revenues to Sodexo. The University requires Sodexo to offer a diverse array of meal plans, including an unlimited/all-you-can-eat option, and to keep them affordable to students.

Financing Structure: The Project will be financed with 30-year, fixed rate, tax-exempt debt issued by the USF Financing Corporation ("DSO") in an amount not to exceed \$33M; inclusive of capitalized interest (\$2.75M) and cost of issuance (\$350k), as well as an \$800k cash equity contribution from the University. The debt will be on parity with the DSO's outstanding \$179M of USF Housing System debt as of June 30, 2018. The bonds will be structured with a level debt service.

According to the University, current market rates are 4.1%-4.3%. However, for the purpose of projections, debt service coverage is conservatively based on a tax-exempt fixed interest rate of 5.00%.

A debt service reserve equal to the maximum annual debt service on the bonds will be accomplished via internal restriction of funds from USF Housing System cash on hand.

Quantitative Demand For Project:

Based on the University's "Accountability Report", annual enrollment has fluctuated over the past 5 years, but averaged around 4,200 FTE's, with the University projecting modest 2% annual growth in enrollment through FY21-22 (see chart below).

FTE Enrollment by Level

(Actual and Projected)

	Actual					Projected				
	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
Undergrad.	4,071	3,831	3,639	3,671	3,767	3,804	3,880	3,958	4,036	4,116
Graduate	387	429	440	442	434	416	428	437	448	459
Total	4,459	4,260	4,080	4,112	4,201	4,220	4,308	4,395	4,484	4,575
% Change	-	-4.46%	-4.23%	0.78%	2.16%	0.45%	2.09%	2.02%	2.03%	2.03%

Enrollment data based on USFSP's 2018 Accountability Plan dated 5/2/18 presented to USF System Board of Trustees 6/12/18 and the Board of Governors 6/28/18.

The St. Petersburg campus currently has 541 revenue-generating beds (64% apartment beds, 36% semi-Suite beds). Although students are not required to live on campus, the University reported that, as of September 2018, 604 students chose to live on campus, representing 63 occupied beds over existing design capacity (USFSP has temporarily converted some single-occupancy bedrooms to double-occupancy). Furthermore, 80 students opted to be placed on an on-campus housing wait list that USFSP monitors.

The University engaged Brailsford & Dunlavey ("B&D") to study demand for new on-campus housing, the findings of which were reported in an April 2016 analysis, updated June 2018. Noting a target occupancy date of Fall 2020, B&D estimated current excess demand of 331 beds growing to 395 beds by Fall 2020.

As part of its analysis, B&D surveyed 32 off-campus multifamily developments where students live in the area around USFSP. B&D identified three apartments as most comparable; they were newer (built within 10 years) and close to campus. Average rent for these comparable off-campus 2BR apartments is \$8,988-\$10,160 per

semester, or \$4,494-\$5,080 per bed per semester, as reflected in the chart below.

Comparison of Existing Housing Options

			Rent/Bed per Semester*	
Housing	Beds	Unit Type/Occupancy	Current	FY20*
USFSP On-Campus Residency Halls				
Residence Hall One (built 2006)	352	Studio, Double	\$4,332	\$4,596
		2BR Suite, 6-8 people	\$2,922	\$3,100
		4BR Suite, Single	\$4,491	\$4,764
University Student Center (built 2012)	201	1BR Suite, Double	\$4,332	\$4,596
		1BR Suite, Triple	\$2,922	\$3,100
New Housing Project	375	4BR Suite, Single	--	\$4,671
		2BR Suite, Double	--	\$4,505
Comparable Off-Campus Apartments				
Camden Pier District	n/a	2BR, Single	\$5,018	\$5,324
Cottonwood	n/a	2BR, Single	\$4,494	\$4,768
Hermitage	n/a	2BR, Single	\$5,080	\$5,389

The above data based on Brailsford & Dunlavey student housing demand report, June 2018, and current online rental rates for off-campus apartments. On-campus rent includes utilities, but not meal plan, and current inventory includes resident assistant units.

**Semester based on 4 months. FY20 rental rates projected with 3% annual increase. Off-Campus Apartment rent is per-unit rate converted to per-bed, for comparative purposes.*

In December 2016, the USF Board of Trustees approved a 3-year rental rate structure for the USFSP campus. According to the University, revenues projected for the student suites intended for the Project utilize the Fall 2019 per semester rental rates approved by the Trustees; \$4,671 (single occupancy units) and \$4,505 (double occupancy units).

B&D noted that students were very price sensitive; a 30% decrease in demand (119 beds) resulted when rent was increased \$100 per month over the USFSP rates tested in the survey. The report's Student Focus Groups said "(students) *prefer to live on campus but combined cost of room and board is too high*" and "*more affordable options (are available) if commuting from outside downtown St. Petersburg.*" The report further noted that many students find off-campus housing that is less expensive, with housing costs further reduced if students share bedrooms, but it requires an average 6.5-mile commute to campus. While the report did not provide rental rate data for these housing options located far from campus, a cursory online search revealed rates (for a 2BR apartment) of approximately \$1,000-\$1,400

per month, or \$2,000-\$2,800 per bed per semester (not including utilities or cost of commuting).

B&D's final report recommended a 375-bed project composed of full suites (four beds per unit, split into single and double-occupancy) with a target occupancy date of Fall 2020, adding that the two suggested unit types would create more on-campus options. Furthermore, while Project breakeven occupancy is estimated at 83% by the University, B&D's report anticipates 100% occupancy based on identified demand.

The Project also includes a dining facility, which will provide a needed amenity that does not currently exist on campus; there is no large indoor venue for meals. According to the B&D report, *"The most common reason students stated they eventually chose to live off campus was the limited scale of dining options on campus."*, while the report's Student Focus Groups said the *"meal plan is expensive and food options are overpriced"*. According to B&D's survey, 47% of students were *"only slightly satisfied or dissatisfied"* with the dining options currently available.

Assessment of Private Sector Alternatives:

The University considered a public-private partnership (P3) structure during the Project evaluation process. In fact, USF's Tampa campus employed a P3 approach in developing its recent "Village" student housing project; chosen due to the large size, scale and density of the project, and to avoid use of the University's bonding capacity (if bonded, USF would have needed to stage the development over 8-10 years). However, those same attributes were not present in the proposed Project. The significantly smaller size, scope and nature of the Project did not make the P3 approach advantageous. According to the University, in the P3 scenario that was considered, the cost to students would have been higher (development, operating and financing costs were higher) and it would have placed the University in a subordinate position regarding design input, financial benefits, operational controls and the ability to fully integrate the Project into existing student housing on the St. Petersburg campus. In light of these factors, a University-financed approach was chosen for the Project.

Security/Lien Structure:

The Project debt will be secured by a first lien on USF Housing System Revenues, on parity with the lien granted to the holders of the DSO's outstanding \$179M of Housing System Debt (as of June 30, 2018). The System Revenues include all gross income and

revenues including fees, rentals or other charges received by the DSO, or the University on behalf of the DSO, derived from the ownership and operation of all System Facilities. The Housing System, owned by the DSO, includes approximately 4,352 beds located on the Tampa campus, 541 beds located on the St. Petersburg campus as well as a 1,161-space structured parking facility also located on the St. Petersburg campus.

**Pledged Revenues &
Debt Service Coverage:**

The revenues available to pay debt service consist of System Revenues which will include the revenues from the Project. The Project's operating revenues are projected at \$4,353,078 in FY21-22 and \$4,483,670 in FY22-23, which, net of operating expense yields a net debt service coverage ratio of 1.30x and 1.34x, respectively. To that extent, normally, debt service for auxiliary enterprises is secured by a pledge of net revenues (i.e., gross revenues less operating and maintenance expenses). However, in this case, the pledge is a gross revenue pledge, specifically a first lien pledge of USF's aggregate Housing System gross revenues ("System Revenues"), providing a priority for the payment of debt service. As such, calculation of gross debt service coverage is appropriate and, for the two prior periods cited above, results in coverage ratios of 3.39x and 3.50x, respectively. (See *Historical and Projected Debt Service Coverage*)

Return on Investment:

The Project is expected to achieve an internal rate of return (IRR) estimated at 9.94%, based upon assumptions provided by the University. (See *Projected IRR*)

Method of Sale:

The Project debt will be issued using a tax-exempt, fixed interest rate structure, but will be in the form of Certificates of Participation (COP). According to the DSO, COPs are viewed by the market as less attractive. Furthermore, the DSO is an infrequent issuer without a broad investor base, and the pledge of non-tax-based revenues is considered somewhat weaker (by the market) than a general receipts/obligations pledge. Consequently, based on the analysis of the characteristics of the proposed Project debt, the DSO concluded that a negotiated sale is in the best interest of the University and DSO.

**Selection of
Professionals:**

The professionals involved in this transaction were selected through a competitive process. The bond counsel for the debt will be Bryant Miller Olive; disclosure counsel, GrayRobinson; and financial advisor, PFM Financial Advisors LLC.

Recommendation:

Staff of the Board of Governors and the Division of Bond Finance has reviewed the information provided by the University with respect to the request for Board of Governors approval for the Project and issuance of debt. The demand for the Project appears adequate and University-provided projections indicate more than sufficient System Revenues to service the additional debt.

It appears that the proposed financing is in compliance with Florida Statutes governing the issuance of university debt as well as Board of Governors Debt Management Guidelines. Accordingly, Board staff recommends adoption of the resolution authorizing the proposed Project and financing.

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
USF FINANCING CORPORATION
USF St. Petersburg - 2018 Housing & Dining Project

Estimated Sources and Uses of Funds

Sources of Funds

Bond Par Amount (not to exceed)	\$ 33,000,000
Cash Equity Contribution; USFSP	800,000
Total Sources of Funds	<u>\$ 33,800,000</u>

Uses of Funds

Project Cost ¹	\$ 30,700,000
Capitalized Interest ²	2,750,000
Costs of Issuance ³	350,000
Total Uses of Funds	<u>\$ 33,800,000</u>

¹ \$27.2M Housing component, \$2.2M Dining Shell, \$1.3M for site work and contingencies. FF&E for dining facility not included; responsibility of 3rd-party food service vendor.

² Based on 5% interest rate, 20 mos construction term.

³ Includes estimated Underwriter's Discount (\$165k), Bond Counsel (\$40k), Disclosure Counsel (\$20k), Financial Advisor (\$25k), Rating Agency Fees (\$50k), Misc. (\$50k).

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
USF FINANCING CORPORATION
USF St. Petersburg - 2018 Housing & Dining Project
USF Housing System, Gross Revenue Pledge Basis

Historical and Projected Debt Service Coverage ¹

USF HOUSING SYSTEM	Historical					Projected				
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Operating Revenues										
Existing Housing ²	\$42,267,252	\$44,840,545	\$42,930,252	\$44,278,652	\$45,933,208	\$46,266,954	\$47,694,903	\$48,462,082	\$49,899,432	\$51,379,292
New USFSP Housing Project ³	0	0	0	0	0	0	0	4,226,289	4,353,078	4,483,670
Total Pledged Revenues	\$42,267,252	\$44,840,545	\$42,930,252	\$44,278,652	\$45,933,208	\$46,266,954	\$47,694,903	\$52,688,371	\$54,252,510	\$55,862,962
Annual Debt Service										
Prior COPs - Series 2005A,C	\$6,681,269	\$6,607,989	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Existing COPs - Series 2010A/B, 2012A/B, 2015A	9,780,044	9,822,085	13,431,472	13,712,695	13,704,364	13,851,464	13,833,422	13,838,454	13,811,530	13,794,045
New Debt; USFSP Housing Project ⁴	0	0	0	0	0	0	0	1,905,000	2,180,000	2,180,000
Total Annual Debt Service	\$16,461,313	\$16,430,074	\$13,431,472	\$13,712,695	\$13,704,364	\$13,851,464	\$13,833,422	\$15,743,454	\$15,991,530	\$15,974,045
Maximum Annual Debt Service	\$16,461,313	\$16,430,074	\$13,712,695	\$13,712,695	\$13,704,364	\$16,220,168	\$16,220,168	\$16,220,168	\$16,220,168	\$16,220,168
Debt Service Coverage										
Annual Debt Service	2.57x	2.73x	3.20x	3.23x	3.35x	3.34x	3.45x	3.35x	3.39x	3.50x
Maximum Annual Debt Service	2.57x	2.73x	3.13x	3.23x	3.35x	2.85x	2.94x	3.25x	3.34x	3.44x

Notes & Assumptions

- (1) Financial information related to revenues and expenses provided by the University of South Florida. Revenue and expense projections for FY17-18 based on actual data through May 31 plus a projection for June.
- (2) Housing system includes Tampa Housing, St. Petersburg Existing Housing, St. Petersburg Parking, Marshall Student Center Lease (thru FY14-15 only; no longer a Housing System facility), St. Petersburg Student Center Housing, St. Petersburg Student Center Lease. For FY17-18, rental revenues were higher than prior years; 9% (Tampa) and 4.3% (SP). Beginning FY18-19, annual revenue is projected to increase 6.5% (Tampa) and 4.3% (SP), then 3% annually thereafter. The general assumption is an average occupancy of 95%, except for SP Housing, which will remain at 120% through FY19-20, moderating to 100% in FY20-21 (with the opening of the new facility) and then 95% thereafter. St. Petersburg Parking revenues projected to remain flat in FY17-18 and FY18-19. Expense for FY18-19 based on planned expenses that year. Projected revenues and expenses thereafter based on 3% annual increase.
- (3) New USFSP Housing Project revenues in FY20-21 based on average rental rates for 375 revenue-generating beds at 95% occupancy, including summer session. Expenses in FY20-21 based on average St. Petersburg existing housing operating expenses prorated for 375 beds. Revenue and expenses projections thereafter based on annual 3% increases.
- (4) Proposed Debt Service based on par \$33M (including \$2.75M capitalized interest) and a tax-exempt fixed rate of 5%. Debt service through construction completion (July 2020) paid from capitalized interest.

Implied Net Coverage Ratios - For Informational Purposes Only, Revenue Pledge is Gross

Total Housing System Revenues Pledged	\$42,267,252	\$44,840,545	\$42,930,252	\$44,278,652	\$45,933,208	\$46,266,954	\$47,694,903	\$52,688,371	\$54,252,510	\$55,862,962
Less: Operating Expenses										
Existing Housing ²	\$19,557,846	\$22,073,533	\$22,814,925	\$24,680,615	\$27,860,221	\$26,905,986	\$27,713,166	\$27,919,181	\$28,756,757	\$29,619,459
New USFSP Housing Project ³	0	0	0	0	0	0	0	1,466,420	1,510,413	1,555,725
Total Operating Expenses	\$19,557,846	\$22,073,533	\$22,814,925	\$24,680,615	\$27,860,221	\$26,905,986	\$27,713,166	\$29,385,601	\$30,267,169	\$31,175,184
Operating Income (Loss)	\$22,709,406	\$22,767,012	\$20,115,327	\$19,598,037	\$18,072,987	\$19,360,968	\$19,981,737	\$23,302,770	\$23,985,341	\$24,687,778
Add: Interest Income	126,157	147,560	149,469	216,774	440,468	329,000	332,290	335,613	338,969	342,359
Net Income	\$22,835,563	\$22,914,572	\$20,264,796	\$19,814,811	\$18,513,455	\$19,689,968	\$20,314,027	\$23,638,382	\$24,324,310	\$25,030,137
Net Debt Service Coverages:										
Annual Debt Service - Housing System	1.39x	1.39x	1.51x	1.44x	1.35x	1.42x	1.47x	1.50x	1.52x	1.57x
Maximum Annual Debt Service - Housing System	1.39x	1.39x	1.48x	1.44x	1.35x	1.21x	1.25x	1.46x	1.50x	1.54x
Annual Debt Service - New USFSP Housing Project (only)	--	--	--	--	--	--	--	1.45x	1.30x	1.34x

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
USF FINANCING CORPORATION
USF St. Petersburg - 2018 Housing & Dining Project

Projected Internal Rate of Return (IRR)

(new 375-bed housing facility)

	Project Construction Cost	Estimated Project Net Revenues			Total Project Cash Flow
		Gross Revenues	Operating Expenses	Net Revenues	
2019	(\$30,700,000)	-	-	-	(\$30,700,000)
2020	-	-	-	-	-
2021	-	\$ 4,226,289	\$ 1,466,420	\$ 2,759,869	2,759,869
2022	-	4,353,078	1,510,413	2,842,665	2,842,665
2023	-	4,483,670	1,555,725	2,927,945	2,927,945
2024	-	4,618,180	1,602,397	3,015,783	3,015,783
2025	-	4,756,726	1,650,469	3,106,257	3,106,257
2026	-	4,899,427	1,699,983	3,199,445	3,199,445
2027	-	5,046,410	1,750,982	3,295,428	3,295,428
2028	-	5,197,802	1,803,512	3,394,291	3,394,291
2029	-	5,353,736	1,857,617	3,496,119	3,496,119
2030	-	5,514,349	1,913,345	3,601,003	3,601,003
2031	-	5,679,779	1,970,746	3,709,033	3,709,033
2032	-	5,850,172	2,029,868	3,820,304	3,820,304
2033	-	6,025,678	2,090,764	3,934,913	3,934,913
2034	-	6,206,448	2,153,487	4,052,961	4,052,961
2035	-	6,392,641	2,218,092	4,174,549	4,174,549
2036	-	6,584,421	2,284,635	4,299,786	4,299,786
2037	-	6,781,953	2,353,174	4,428,780	4,428,780
2038	-	6,985,412	2,423,769	4,561,643	4,561,643
2039	-	7,194,974	2,496,482	4,698,492	4,698,492
2040	-	7,410,823	2,571,376	4,839,447	4,839,447
2041	-	7,633,148	2,648,518	4,984,630	4,984,630
2042	-	7,862,142	2,727,973	5,134,169	5,134,169
2043	-	8,098,007	2,809,812	5,288,194	5,288,194
2044	-	8,340,947	2,894,107	5,446,840	5,446,840
2045	-	8,591,175	2,980,930	5,610,245	5,610,245
2046	-	8,848,911	3,070,358	5,778,553	5,778,553
2047	-	9,114,378	3,162,469	5,951,909	5,951,909
2048	-	9,387,809	3,257,343	6,130,467	6,130,467
2049	-	9,669,444	3,355,063	6,314,381	6,314,381
	(\$30,700,000)	\$191,107,929	\$66,309,826	\$124,798,103	\$94,098,103

IRR= 9.94%

1) Assumes 30 year financing, inclusive of construction term. No equity contribution (USFSP equity contribution allocated to dining facility shell), 30-year useful life of the project with no residual value.

2) Revenue and expense projections provided by Universtiy. Assumed annual growth rate of 3% for revenues and expenses.

3) New money bond issue structured to generate \$30.7M in project funds, assumes 7/1/20 delivery date, capitalized interest through delivery, and cash funded DSRF.



STATE
UNIVERSITY
SYSTEM
of FLORIDA
Board of Governors

AGENDA

Academic and Student Affairs Committee

Live Oak Pavilion

Student Union

Florida Atlantic University

777 Glades Road

Boca Raton, Florida 33431

November 8, 2018

10:30 a.m. – 12:15 p.m.

or

Upon Adjournment of Previous Meetings

Chair: Mr. Norman Tripp; Vice Chair: Ms. Wendy Link

Members: Cerio, Felton, Frost, Morton, Stewart, Valverde, White, Zachariah

- 1. Call to Order and Opening Remarks** **Governor Norman Tripp**
- 2. Minutes of Committee Meeting** **Governor Tripp**
Minutes, September 12, 2018
- 3. Vice Chancellor and Chief Academic Officer's Report** **Dr. Christy England**
*Acting Vice Chancellor for
Academic and Student Affairs*
- 4. Academic Program Items**
 - A. Ph.D. Aerospace Engineering, CIP 14.0201,** **University Representative**
University of Central Florida
 - B. Ph.D. Strategic Communication, CIP 09.0900,** **University Representative**
University of Central Florida
 - C. DMA of Music, CIP 50.0901,** **University Representative**
University of Florida

D. Ph.D. Intelligent Systems and Robotics,
CIP 11.0102, University of West Florida

University Representative

E. Limited Access Status for the Bachelor of Science
in Biomedical Engineering, CIP 14.0501,
University of South Florida

Governor Tripp

F. Exemption to 120 Credit Hours for the Bachelor of
Science in Biomedical Engineering, CIP 14.0501,
Florida Agricultural and Mechanical University–Florida
State University, College of Engineering

Governor Tripp

5. Academic and Student Affairs Updates

A. SUS Council of Academic Vice Presidents (CAVP)

Dr. Sallie McRorie
Chair, CAVP

B. SUS Council for Student Affairs (CSA)

Dr. Corey King
Chair, CSA

C. Florida Student Association (FSA)

Governor Jalisa White
Chair, FSA

6. Concluding Remarks and Adjournment

Governor Tripp

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Academic and Student Affairs Committee
November 8, 2018**

SUBJECT: Minutes of Committee Meeting held September 12, 2018

PROPOSED COMMITTEE ACTION

Consider approval of the minutes of the Academic and Student Affairs Committee meeting held on September 12, 2018 at New College of Florida

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Committee members will review and consider approval of the minutes of the meeting held on September 12, 2018, at New College of Florida.

Supporting Documentation Included:	Minutes, September 12, 2018
Facilitators/Presenters:	Governor Norman Tripp

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
ACADEMIC AND STUDENT AFFAIRS COMMITTEE
NEW COLLEGE OF FLORIDA
SARASOTA, FLORIDA
SEPTEMBER 12, 2018

*Video or audio archives of the meetings of the Board of Governors
and its Committees are accessible at <http://www.flbog.edu>.*

1. Call to Order and Opening Remarks

Chair Norman Tripp convened the meeting on September 12, 2018, at 3:40 p.m. with the following members present and answering roll call: Governors Link, Cerio, Felton, Frost (by phone), Morton, Valverde, and White. A quorum was established.

2. Minutes of Committee Meeting

Chair Tripp asked for a motion to approve the minutes from the June 28, 2018 committee meeting. Governor Cerio moved to approve, Governor Link seconded the motion, and the motion carried unanimously.

3. Vice Chancellor and Chief Academic Officer's Report

Acting Vice Chancellor Christy England reported on the following activities of the Academic and Student Affairs (ASA) unit.

- There have been some staffing changes at the Board office. Dr. Cathy Oakley left the office to accept the position as a career advisor and information manager for the Florida State University College of Law. Mr. Jeremy M. Hudak now serves as an Assistant Director for Academic and Student Affairs. Prior to joining, he worked full-time for the Division of Florida Colleges at the Department of Education. Dr. Disraelly Cruz joined the team as an Assistant Director for Academic and Student Affairs. Prior to joining, she was a faculty member at the University of West Florida. Dr. Lynn H. Long was promoted to Director of Academic and Student Affairs.
- Associate Vice Chancellor for Academic and Student Affairs, Dr. R.E. LeMon was recently appointed to the American Library Association Committee on Accreditation.
- On July 19, 2018, the ASA staff and the Board's Chief Data Officer, Mr. Jason Jones, participated in a quarterly meeting with the staff from the Department of Economic Opportunity (DEO) Bureau of Labor Market Statistics. During the

meeting they discussed labor market statistics and projects that were mutually beneficial to both parties.

- Since the spring, the ASA unit has also been working with DEO on updating their economic development strategic plan for Florida. DEO published their plan in July and featured a piece on research in the State University System.
- On July 26, 2018, Ms. Emily Sikes attended the Florida Makes Manufacturing Summit in Orlando.
- On July 27, 2018, Ms. Sikes met with Governor Levine and the Programs of Excellence workgroup at the University of South Florida.
- On August 1, 2018, Chancellor Marshall Criser III, Dr. England, Assistant Vice Chancellor Traki L. Taylor, and Ms. Emily Sikes met with staff from the Florida Consortium of Metropolitan Research Universities to hear about their priorities.
- In early August, Dr. Long and Dr. Taylor attended the State Higher Education Executive Officers (SHEEO) Annual Policy Conference held in Denver, CO.
- Dr. LeMon and Dr. England took an abbreviated private tour of the Ringling Circus Museum courtesy of Executive Director Steven High and Jennifer Lemmer-Posey who is the Assistant Curator of the circus museum and an alum of both New College and Florida State University. Dr. England thanked Florida State University's Provost Sally McRorie for making the arrangements.

4. Public Notice of Intent to Amend Board of Governors Regulation 10.014 Academic Infrastructure and Support Organizations (AISO)

There are two proposed changes to the regulation. The first change is to replace "BOG" with "Board." The second substantive change is defining the state university membership requirement of the AISO as comprising at least 51% of the AISO voting membership and its executive committee, as applicable. As these organizations are primarily resourced and staffed by members of the State University System (SUS), this change is important to maintain proper oversight going forward. Governor Link moved to approve the public notice of intent to amend Board of Governors Regulation 10.014. Governor Morton seconded the motion and the motion carried unanimously.

5. Legislative Budget Request for the Florida Small Business Development Center (SBDC) Network

Dr. Cheryl Kirby, Chief Strategy and Branding Officer and Associate State Director of the Florida SBDC Network, presented background information on the SBDC's legislative budget request for new recurring funds of \$4 million. Dr. Kirby gave the background of the SBDC Network, its relationships with universities, and services for small businesses. New appropriations would be invested in three areas: a) enhancing and expanding the Florida SBDC consulting capacity in the two areas of disaster preparedness and recovery and in assisting small businesses in accessing the critical capital needed to start and grow their own businesses, b) invest and establish the

Florida Business Information Center, and c) investigate opportunities to expand statewide partners where there are service market gaps and opportunities exist like expanding services to rural communities.

Chair Tripp noted that New College of Florida, Florida Polytechnic University, Florida State University, and the University of Florida were not members of the network and asked for clarification on why these institutions were not members. Dr. Kirby mentioned that there's been opportunities as far as gaps in the market for them to participate and that the SBDC has worked with other organizations and one state college.

Chair Tripp then asked the President of Florida State University (FSU), John Thrasher, to describe their relationship with the SBDC. President Thrasher explained that the Jim Moran Institute for Global Entrepreneurship Program at FSU has been conducting similar services over the past 20 years. Dr. Sally McRorie, Provost and Executive Vice President for Academic Affairs at FSU, noted that FSU is a sponsor of the SBDC Network.

Chair Tripp then asked the presidents of the University of Florida, New College, and Florida Polytechnic about their status with the SBDC. Each respective president mentioned they would need to look into the situation to know why they are not partners.

Chancellor Criser asked for clarification about the SBDC's funding and whether it was more of an economic development budget item or education budget item. Dr. Kirby said she would look into the matter.

Chair Tripp requested that additional information be brought to the Board before a decision is made.

Governor Kitson requested additional information on how the organization connects to metrics and student success.

Governor Link moved to defer the item. Governor Frost seconded the motion.

Governor Link asked what effect the deferment will have on the SBDC, and if there was sufficient time to provide additional information and still submit the budget request.

Vikki Shirley, General Counsel and Corporate Secretary, noted that Section 288.001 of the Florida statutes, which created the SBDC Network, places it under the jurisdiction of the Board of Governors.

Chancellor Criser explained that the Board has the ability to amend their budget request in the November meeting. The Chancellor also requested information from each university that participates to understand where SBDC fits in with their overall legislative priorities.

Governor Morton requested that Board staff take a closer look at the situation and talk to universities that are not participating to understand why or why not and then submit a recommendation to the Board of Governors.

Governor Patel agreed that staff try to get the other universities on board. He also expressed interest in learning how the SBDC will continue to fund the program in the future.

Governor Cerio asked for clarification of the current budget allocation and how often it's been brought to the board and if there has been consideration to request non-recurring funds.

The motion to defer the Legislative Budget Request for the Florida Small Business Development Center was passed.

6. Academic and Student Affairs Updates

A. SUS Council of Academic Vice Presidents (CAVP)

Dr. Sally McRorie, Provost and Vice President for Academic Affairs at FSU and Chair of the CAVP, reported on the following activities.

- The last CAVP meeting was June 27, 2018, and one of the items discussed was the Small Business Development Center. They will continue to discuss the issue at their next meeting.
- The CAVP unanimously approved participation in the Florida Innovation Summit, and every university pledged to fund the registration and cost of travel for their representatives.
- The CAVP received an update from the Math Action Planning Symposium at the University of Florida. Every university is working to assess and address factors that are affecting math performance. Chair Tripp requested information on other systems that are doing well in math performance in order to understand how they have performed well and what the Florida system can do to improve.
- At the next CAVP meeting, the Council will be receiving updates on how different universities are implementing the civic literacy requirements.
- Additionally, the Council will be discussing issues brought up by Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) in

relation to transfer credits and multi-level boards. The Council will also receive an update on Programs of Excellence.

Chair Tripp requested that the CAVP discuss civics and what we can do to enhance the education of our students regarding civic matters since there will not be a constitutional amendment addressing civics.

B. SUS Council of Student Affairs (CSA)

Dr. Corey King, Florida Atlantic University Vice President of Student Affairs and Chair of CSA, provided the following report.

- Dr. King reported that the CSA met that afternoon. Dr. Victoria Brown from Florida Atlantic University discussed the Online Student Support Scorecard results and how the CSA can be active in providing online students with student support services. The CSA has put together three action items that they will look at to support the innovation online committee.
- The CSA discussed hurricane shelters on various campuses. The CSA is trying to put together some innovative ideas and discuss how the campuses can continue to support each other.
- The CSA has confirmed the SUS Hazing Summit for Friday, May 17, 2019. Dr. King thanked Dr. Maribeth Ehasz from the University of Central Florida for agreeing to host the summit.
- The CSA has also confirmed the SUS CSA-AVP Summit for June 9-10, 2019, at USF. Dr. King thanked Dr. Paul Dosal and team for agreeing to host the summit.

C. Florida Student Association (FSA)

Governor Jalisa White, Chair of the Florida Student Association (FSA), provided the FSA report.

- Governor White reported that since the last Board meeting, the FSA met to discuss their legislative agenda for the upcoming session. Some of the items include:
 - advocating for CITF bonding,
 - PECO Funding and allocation,
 - supporting medical amnesty legislation,
 - increasing need-based aid, and
 - supporting the SUS legislative budget request.

- The association is currently hosting its first statewide Civics Engagement Week where they are getting thousands of students to register to vote. Some of the activities include:
 - educational workshops,
 - candidate forums, and
 - voter registration.
- The FSA is continuing the conversation on drugs, alcohol, and mental health and looks forward to addressing the issue. Governor White also thanked the Board for making the conversation top priority.

Chair Tripp requested that the FSA consider what it could do to address civic Literacy and highlight issues to make students more aware of their responsibilities concerning civic literacy.

7. Concluding Remarks and Adjournment

Having no further business, Chair Tripp adjourned the meeting at 4:27 p.m.

Norman D. Tripp, Chair

Disraelly Cruz, Ph.D.
Assistant Director for Academic
and Student Affairs

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Academic and Student Affairs Committee
November 8, 2018**

SUBJECT: Acting Vice Chancellor and Chief Academic Officer's Report

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Dr. Christy England, Acting Vice Chancellor for Academic and Student Affairs, will provide an update regarding the activities of the Office of Academic and Student Affairs.

Supporting Documentation Included: None

Facilitators/Presenters: Dr. Christy England

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

Academic and Student Affairs Committee

November 8, 2018

SUBJECT: Ph.D. in Aerospace Engineering, CIP 14.0201, University of Central Florida

PROPOSED COMMITTEE ACTION

Consider approval of the Ph.D. in Aerospace Engineering, CIP 14.0201, at University of Central Florida

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 8.011

BACKGROUND INFORMATION

The University of Central Florida (UCF) is proposing to establish a research doctoral program in Aerospace Engineering. The Aerospace Engineering doctoral program will require the completion of 42 semester credit hours beyond the master's degree or 72 semester credit hours beyond the bachelor's degree.

If approved, this would be the second Ph.D. in Aerospace Engineering under CIP 14.0201 in the State University System. The purpose of the proposed program is to prepare highly qualified individuals with graduate education and research training to support the growing aerospace industry both in Florida and nationally.

The UCF Board of Trustees approved the program on September 27, 2018. If approved by the Board of Governors, UCF will implement the program effective Fall 2019.

Supporting Documentation Included:

1. Board Staff Analysis
2. Program proposal available online at www.flbog.edu

Facilitators/Presenters:

University Representative

**BOARD OF GOVERNORS
STATE UNIVERSITY SYSTEM OF FLORIDA
NEW DOCTORAL DEGREE PROPOSAL STAFF ANALYSIS**

Program: Ph.D. in Aerospace Studies
Institution: University of Central Florida
Staffed By: Jeremy M. Hudak

CIP Code: 14.0201
Proposed Implementation Date: Fall 2019
Initial Review Date: 08/17/18
Last Update: 10/18/2018

Projected program costs:

	Total	% & \$ Current Reallocated	% & \$ New Recurring	% & \$ New Non- Recurring	% & \$ C&G	Auxiliary Funds	Cost per FTE	SUS 16-17 Average Cost per FTE
Year 1	\$391,071	62% \$243,541	0% \$0	0% \$0	38% \$147,350	\$0	\$0	\$828.52
Year 5	\$752,644	42% \$313,820	0% \$0	5% \$41,044	53% \$397,800	\$0	\$0	14 CIP

Projected FTE and Headcount are:

	Student Headcount	Student FTE
First Year	10	10
Second Year	12	11
Third Year	15	13.5
Fourth Year	19	16
Fifth Year	23	19

On March 29, 2007, the Florida Board of Governors approved Board Regulation 8.011, which sets forth criteria for implementation and authorization of new doctorates by the Board of Governors, as well as criteria for implementation and authorization of Bachelor's, Master's and Specialist degrees by Boards of Trustees. The following staff analysis is an assessment of how well the university meets Board Accountability and Readiness criteria for implementation of this degree program.

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Proposal Page Numbers:

INTRODUCTION		ACCOUNTABILITY		READINESS				
Program Description	Board Goals	Overall	Budget	Mission and Strength	Program Quality	Curriculum	Faculty	Resources
2-4	5-9	10-16	16-19	20-27	27-28	28-42	42-45	45-52

A. Program Description:

The University of Central Florida's College of Engineering and Computer Science, Department of Mechanical and Aerospace Engineering, is proposing to establish a research doctoral program in Aerospace Engineering with a proposed classification of instructional program (CIP) code of 14.0201. The purpose of the Aerospace Engineering doctoral program is to prepare highly qualified individuals with graduate education and research training to support the growing aerospace industry both in Florida and nationally (p. 4). Potential employment opportunities include aerospace engineers, postsecondary engineering teachers, and architectural and engineering managers (Source: Florida Department of Economic Opportunity (DEO)).

The Aerospace Engineering doctoral program will require the completion of 72 credit hours beyond the bachelor's degree, or 42 credit hours beyond the master's degree. This program requires a minimum of 15 dissertation credit hours. These may include up to a total of 12 credit hours combined of directed, doctoral research, and/or independent study. Additionally students may take up to 6 credit hours of Thesis with an approved program of study. At least 39 credit hours of the Program of Study must consist of formal coursework (p. 33).

According to the Bureau of Labor Statistics' (BLS) Occupational Outlook Handbook, the entry level degree for an aerospace engineer is a bachelor's degree with a median hourly wage of \$54.34 (<https://www.bls.gov/ooh/architecture-and-engineering/aerospace-engineers.htm#tab-1>). DEO indicates that a postsecondary engineering teacher requires a master's degree or higher with a median hourly wage of \$71.64.

B. System-Level Analysis and Evaluation in accordance with BOG Regulation 8.011:

The proposal provides alignment of the program with the State University System (SUS) strategic plan. UCF provided alignment of the proposal with all three major SUS Strategic Plan goals: Excellence, Productivity, and Strategic Priorities for a Knowledge Community. Additionally, the Ph.D. in Aerospace Engineering aligns with all five goals outlined in UCF's Collective Impact Strategic Plan. The Master of Science in Aerospace Engineering has been a very successful program for UCF and the Ph.D.

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program will build on that success.

Need for Graduates in the Labor Market

The proposal documents the need for individuals with a high level of education in the field of Aerospace Engineering. It highlights the large growth the Aerospace industry is experiencing in the State of Florida. In addition, the proposal provides examples of aerospace companies within the state, including SpaceX, Northrop Grumman, and NASA, further highlighting the need for the program.

The labor market data is reflected below in Table 1. Board staff reviewed data from both the Florida DEO's Labor Market Information and the BLS's Occupational Outlook Handbook.

DEO:

Employment projections included in the charts below follow this order:

*projected percent change in employment from 2017-2025,

*number of jobs in 2017, and

*projected numeric change in employment from 2017-2025.

BLS:

Employment projections included in the charts below follow this order:

*projected percent change in employment from 2016-2026,

*number of jobs in 2016, and

*projected numeric change in employment from 2016-2026.

Table 1: Labor Market Data: Aerospace Engineering

Source	Occupation	Workforce Need	Entry Level
DEO	Aerospace Engineer	4.7% Growth 127 New Positions 1,438 Total Openings	Bachelor's
DEO	Engineering Teachers, Postsecondary	16.7% Growth 288 New Positions 1,460 Total Openings	Master's or higher
DEO	Architectural and Engineering Managers	12.2% Growth 835 New Positions 4,609 Total Openings	Bachelor's
BLS	Aerospace Engineer	6% Growth 4,200 Employment Change 69,600 Total Jobs	Bachelor's
BLS	Postsecondary Teachers	15% Growth 197,800 Employment Change 1,314,400 Total Jobs	Doctorate

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Source	Occupation	Workforce Need	Entry Level
BLS	Architectural and Engineering Managers	6% Growth 9,900 Employment Change 180,100 Total Jobs	Bachelor's

Sources: U.S. Bureau of Labor Statistics - <https://www.bls.gov/ooh>

Florida Department of Economic Opportunity - <http://www.floridajobs.org/labor-market-information/data-center/statistical-programs/employment-projections>

Student Demand for the Program

Regarding the demand, the proposal notes that the University of Central Florida's Master's program in Aerospace Engineering has increased enrollment by more than 1.5 times over the last 10 years. However, the proposal also notes that students from the master's program are leaving the state to pursue their Ph.D.'s because of the limited availability of doctoral programs within the state. The proposal also reports that close to 70% of Aerospace Engineering undergraduate students plan to continue their education at the graduate level (p. 12).

If approved, this program would be the second Ph.D.-level Aerospace Engineering in the State University System. The University of Florida also offers a Ph.D. in Aerospace Engineering.

Table 2: Graduate Level Aerospace Engineering Enrollment (CIP 14.0201)

	2013	2014	2015	2016	2017
UCF	27	26	38	40	54
UF*	77	86	97	98	96
SUS Total	104	112	134	138	150

*Reflects enrollment in both Masters and Ph.D. Program

Source: Florida Board of Governors, Enrollment by CIP, retrieved August 31, 2018

Table 3: Degrees Awarded in Master's in Aerospace Engineering (CIP 14.0201)

	2012	2013	2014	2015	2016
UCF	11	10	17	8	10
UF	23	26	23	18	22
SUS Total	34	36	40	26	32

Source: Florida Board of Governors, Degree by CIP, retrieved August 31, 2018

The projected headcount for the program in year 1 is 10 with an increase to 23 by year 5 of the program. The primary source of students in year 1 of the program are individuals transferring from other graduate programs within the university. By year 5 of the program, the primary source of students is projected to be students who have recently graduated from other graduate degree programs at UCF. The projected headcount and enrollment projections seem logical and seem to follow the enrollment trend of the Master's program.

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Table 4: Cost of Tuition for other Ph.D. Aerospace Engineering programs in Florida

University of Central Florida*	\$369.65 per credit hour
University of Florida	\$530.69 per credit hour
Florida Institute of Technology	\$1,241 per credit hour
Embry-Riddle Aeronautical Engineering	\$1,433 per credit hour

**This is an estimated cost based on information available on UCF's website*

Source: Information from university websites.

External Consultant's Report

The proposal had two external consultants listed. Anastasios Lyrintzis Ph.D., Chair of the Aerospace Engineering Department at Embry-Riddle Aeronautical University, and Farhan Gandhi, the Rosalind and John J. Redfern Jr. Chair in Engineering and the Aeronautical Engineering Program Director at Rensselaer Polytechnic Institute. Overall, both reviewers felt the program was a good fit for UCF.

Dr. Lyrintzis complimented the proposal as being well written. The reviewer suggested UCF develop an executive summary of the proposed program to highlight the following important points of the proposal.

- A. The program would serve the large aerospace industry presence in the state of Florida.
- B. Increase the number of Aerospace Engineering Ph.D. programs in the State of Florida.
- C. The low cost of implementation because the existing faculty and courses are in place, but high benefit because of the projected increase in research expenditures, industry partnerships, and university reputation.

Dr. Lyrintzis also suggested UCF add a cost-benefit analysis to the proposal to highlight the benefits of the proposed program.

Professor Gandhi encouraged UCF to further differentiate the proposed program from UF's program. This feedback was used to expand the information in section 3C, Similar Programs, of the degree proposal. The reviewer also noted that the level of required coursework seemed a bit high, and the list of suggested elective courses was long. Professor Gandhi encouraged UCF to consider splitting the list into sections of existing, new and increased frequency offerings to make the case for new faculty members for the program. UCF incorporated the feedback from both reviewers into the final version of their proposal.

In addition to the external consultants' report, UCF also created an internal Aerospace Ph.D. program committee to develop a vision for the program and plan its implementation. The committee identified several courses that needed to be offered

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more frequently and a course in Vertical Take-off and Landing that needed to be reinstated; and the addition of four new courses to the department. All of these recommendations are reflected in the proposal.

Summary

The proposed program seems to align well with the mission of UCF. It provides an outlet for students in the current master's program to continue their graduate education and provides an avenue for students to enter the program immediately after completing their bachelor's degree. The program does seem to position UCF to meet the growing labor force needs of the Aerospace industry in central Florida. The workforce data both statewide and nationally support the need for this program. Additionally, UCF was able to provide data supporting student interest and demand for the program. Overall, this is a very well written and strong proposal.

C. Assessment of the University Review Process in accordance with BOG Regulation 8.011:

Due to the system of stair step accountability set in place by the Board of Governors in Regulation 8.011, it is now incumbent upon University Board of Trustees to verify that all doctoral programs coming before the Board of Governors have met the requirements of the regulation. The following is an assessment of the university review process to ensure that all criteria set forth have been considered by the university prior to submission to the Board of Governors office.

ACCOUNTABILITY

Check 'yes' or 'no' box, and make comments beneath criterion as appropriate.

- 1. Overall** – *The proposal is in the correct format, includes all necessary signatures, and contains complete and accurate tables for enrollment projections, faculty effort, and the proposed budget.*

YES NO

- ☐ ☒ **The proposal has been approved by the university board of trustees and includes all required signatures.**

The proposal will be presented at the September 2018 Board of Trustees (BOT) meeting. Past precedent permitted it to be submitted to the Board of Governors pending final BOT approval.

- ☒ ☐ **The university has provided a proposal written in the standard SUS format which addresses new academic program approval criteria outlined in BOG Regulation 8.011.**

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- ☒ ☐ **The pre-proposal was reviewed by the Council of Academic Vice Presidents (CAVP) workgroup and any concerns identified by the group have been listed and addressed in the proposal.**

The proposal was presented at the CAVP meeting on March 26, 2016. No concerns were noted.

- ☒ ☐ **The university has provided data that supports the need for an additional program in the State University System as well as letters of support or concern from the provosts of other state universities with substantially similar programs.**

There is currently one existing Ph.D. in Aerospace Engineering within the State University System at the University of Florida. The preproposal was vetted at the CAVP meeting on March 26, 2016 and no concerns were expressed.

- ☒ ☐ **The university has provided complete and accurate projected enrollment, faculty effort, and budget tables that are in alignment with each other.**

All required tables, narratives, and appendices are complete and in alignment.

- ☒ ☐ **The university has included a statement in the proposal signed by the equity officer as to how this proposal will meet the goals of the university's equity accountability plan.**

- ☒ ☐ **The program does not substantially duplicate programs at FAMU or FIU or, if it does, evidence was provided that consultations have occurred with the affected university on the impact of the new program on existing programs.**

This program does not duplicate a program offered at FAMU or FIU, and the university took steps to communicate with both institutions to verify this information.

2. Budget – *The proposal presents a complete and realistic budget for the program consistent with university and BOG policy, and shows that any redirection of funding will not have an unjustified negative impact on other needed programs.*

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YES NO

- ☐ ☒ **The University Board of Trustees has approved the most recent budget for this proposal.**

The proposal will be presented at the September 2018 BOT meeting. Past precedent permitted it to be submitted to the Board of Governors pending final BOT approval.

- ☒ ☐ **The university has reviewed the budget for the program to ensure that it is complete and reasonable, and the budget appears in alignment with expenditures by similar programs at other SUS institutions.**

- ☐ ☒ **The proposal indicates that the program will follow the cost-recovery or market-rate funding models. If so, details and timelines for getting approvals for these funding models are included in the proposal.**

The program does not intend to seek an alternative tuition or funding model.

- ☒ ☐ **In the event that resources within the institution are redirected to support the new program, the university has identified this redirection and determined that it will not have a negative impact on undergraduate education, or the university has provided a reasonable explanation for any impact of this redirection.**

UCF will be reallocating funds from within the Mechanical and Aerospace Engineering department to support the new Ph.D. program. The proposal does not indicate a negative impact on existing programs. They state that the new program will complement the existing programs, and will increase funded research opportunities.

READINESS

Check 'yes' or 'no' box, and make comments beneath criterion as appropriate.

3. Program Quality – *The proposal provides evidence that the university planning activities have been sufficient and responses to any recommendations to program reviews or accreditation activities in the discipline pertinent to the proposed program have been addressed.*

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YES NO

- ☒ ☐ **The university has followed a collaborative planning process for the proposed program in accordance with policies and procedures adopted by the University Board of Trustees.**

The proposal includes letters of support from other units from within the university, as well as support from Florida Institute of Technology and Embry-Riddle.

- ☒ ☐ **An external consultant has reviewed the proposal and supports the department's capability of successfully implementing this new program.**

Two external consultants reviewed the program proposal.

- ☒ ☐ **The university has found the level of progress that the department has made in implementing the recommendations from program reviews or accreditation activities in the discipline pertinent to the proposed program to be satisfactory.**

- ☒ ☐ **The university has analyzed the feasibility of providing all or a portion of the proposed program through distance learning.**

- ☐ ☐ **If necessary, the university has made allowances for licensure and legislative approval to be obtained in a timely manner.**

Not Applicable

4. Curriculum – *The proposal provides evidence that the university has evaluated the proposed curriculum and found that it describes an appropriate and sequenced course of study, and that the university has evaluated the appropriateness of specialized accreditation for the program.*

YES NO

- ☒ ☐ **The university has reviewed the curriculum and found that the course of study presented is appropriate to meet specific learning outcomes and industry driven competencies discussed in the proposal.**

The curriculum structure for the proposed program closely mirrors that of the existing Ph.D. in Mechanical Engineering at UCF. A noticeable difference however is that the proposed Ph.D. in Aerospace Engineering does not have a stated minimum number of credit hours that must be taken at the 6000 or 7000-level. While there are no 7000-level courses in the proposed program, aside from the dissertation and research courses, there

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are a total of 29 three credit hour 6000-level courses offered in the proposed program. This exceeds the requirements for students entering the program with a bachelor's or master's degree.

UCF also noted that they will have an external advisory board for the program. Members of the advisory board will include:

- Ms. Teresa Kinney, Commercial Crew Program Assistant Chief Engineer at Kennedy Space Center, NASA
- Dr. Gregory Freihofer, Stress Engineer at Northrop Grumman
- Mr. Rusty Irving, Research and Development Executive at GE Global Research

- ☒ ☐ **The university anticipates seeking accreditation for the proposed doctoral program, or provides a reasonable explanation as to why accreditation is not being sought.**

The University reports that no specialized accreditation exists for graduate programs in the Aerospace Engineering program.

5. Faculty – The proposal provides evidence that the university is prepared to ensure a critical mass of faculty will be available to initiate the program based on estimated enrollments, and that faculty in the aggregate have the necessary experience and research activity to sustain a doctoral program.

YES NO

- ☒ ☐ **The university has reviewed the evidence provided and found that there is a critical mass of faculty available to initiate the program based on estimated enrollments.**

All of the faculty participating in the new program are existing faculty members in the Mechanical and Aerospace Engineering (MAE) Department. The proposal indicates that two faculty members will be hired on existing faculty lines to support the program. One of the two faculty members is scheduled to begin in Fall 2018 and the other in Fall 2019.

- ☒ ☐ **The university has reviewed the evidence provided and found that the faculty in aggregate has the necessary experience and research activity to sustain the program.**

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- ☒ ☐ **The university has reviewed the evidence provided and found the academic unit(s) associated with this new degree to be productive in teaching, research, and service.**

The proposal provides evidence of high activity in teaching, research, and service for the Mechanical and Aerospace Engineering Department.

- ☒ ☐ **If appropriate, the university has committed to hiring additional faculty in later years, based on estimated enrollments.**

According to Table 4 in Appendix A of the proposal, the University plans to hire two new tenure-earning faculty members on existing faculty lines to support the program.

6. Resources – *The proposal provides evidence that the university has ensured the available library volumes and serials; classroom, teaching laboratory, research laboratory, office space, equipment, clinical and internship sites, fellowships, scholarships, and graduate assistantships will be sufficient to initiate the program, and that if applicable, funding has been secured to make more resources available as students proceed through the program..*

YES NO

- ☐ ☒ **The university has provided a signed statement from the Library Director verifying that the library volumes and serials available are sufficient to initiate the program.**

The proposal indicates that the library has most of the resources needed to start the program. However, the proposal also mentions that UCF does not currently have access to three key journals that are important to support the program. The total cost to gain access to these journals in year 1 is \$15,000, with an increased subscription cost of \$17,381 by year 5 of the program. (pp. 46-47)

- ☒ ☐ **The university has ensured that the physical space necessary for the proposed program, including classrooms, laboratories and office space, is sufficient to initiate the program.**

UCF indicates they have the necessary classroom, laboratory, and office space to begin the program. They provide several examples of laboratories that will be available to students in the program. (pp. 47-51)

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- ☒ ☐ **The university has ensured that necessary equipment is available to initiate the program.**

UCF also provides a detailed list of the equipment available to support the program and indicate that no additional equipment will be needed. (pp. 50-51)

- ☒ ☐ **The university has ensured that fellowships, scholarships, and graduate assistantships are sufficient to initiate the program.**

The AE Ph.D. program will have seven Office of Research and Commercialization (ORC) (internal) Fellowships and two Graduate Teaching Assistantships (GTAs) available in the first year at a projected cost of \$103,112. The MAE Department is committing four of its anticipated ORC Fellowships and two GTAs and the ORC is committing the remaining three Fellowships to help grow the program in each of the first three years. By year 5, the MAE Department expects again to allocate four of its ORC Fellowships and four GTAs at a projected cost of \$157,800. The increased allocation of GTAs parallels the expected ME/AE Ph.D. student distribution within the MAE Department. As the AE Ph.D. program and MAE Department continue to grow, the allocation of GTAs will continue to grow also.

The establishment and growth of the AE Ph.D. program will also benefit from increased external research funding. In year 1, Contracts and Grants (C&G) funds of \$147,530 are expected to provide five Graduate Research Assistantships (GRAs), which will in part supplement the ORC Fellowships to provide the total cost of tuition/stipend and non-ORC share. These numbers should increase rapidly as many of the junior faculty and new hires associated with the Aerospace Engineering program establish and grow their research programs. By year 5, C&G funds of \$397,800 are expected to provide at least 12 more GRAs for AE Ph.D. students. (p. 51)

- ☒ ☐ **If applicable, the university has ensured that the department has arranged a suitable number of clinical and internship sites.**

Students in an AE Ph.D. program are not required to participate in an internship/practicum experience. However, the proposal states that there are many such opportunities to enhance the students' graduate school experience. (p. 51)

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

Academic and Student Affairs Committee

November 8, 2018

SUBJECT: Ph.D. in Strategic Communication, CIP 09.0900, University of Central Florida

PROPOSED COMMITTEE ACTION

Consider approval of the Ph.D. in Strategic Communication, CIP 09.0900, University of Central Florida

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 8.011

BACKGROUND INFORMATION

The University of Central Florida (UCF) is proposing a Ph.D. in Strategic Communication. The program will have two concentrations: health communication and risk/crisis communication. The program will require the completion of 60 semester credit hours beyond the master's degree and a community engagement internship so that graduates will have some professional experience.

If approved, the program would be the first Ph.D. in Strategic Communication to be offered in CIP 09.0900 in the state of Florida. The proposed program is designed to prepare graduates to research, teach, develop, and manage messages about health, risk, or crisis situations.

The UCF Board of Trustees approved the program on March 22, 2018. If approved by the Board of Governors, UCF will implement the program effective Fall 2019.

Supporting Documentation Included:

1. Board Staff Analysis
2. Program proposal available online at www.flbog.edu

Facilitators/Presenters:

University Representative

**BOARD OF GOVERNORS
STATE UNIVERSITY SYSTEM OF FLORIDA
NEW DOCTORAL DEGREE PROPOSAL STAFF ANALYSIS**

Program: Ph.D. in Strategic
Communication

CIP Code: 09.0900

Institution: University of Central Florida

Proposed Implementation Date: Fall 2019

Staffed By: Dr. Disraelly Cruz

Initial Review Date: 9/4/18

Last Update: 10/25/18

Projected program costs:

	Total	% & \$ Current Reallocated	% & \$ New Recurring	% & \$ New Non- Recurring	% & \$ C&G	% & \$ Philanthropy & Endowment	Auxiliary Funds	Cost per FTE	SUS 16-17 Average Cost per FTE
Year 1	\$176,125	74% \$129,751	0% \$0	0% \$0	13% \$23,187	13% \$23,187	\$0	\$28,834	\$18,762 09 CIP
Year 5	\$644,371	70% \$449,876	0% \$0	0% \$0	13% \$85,654	17% \$108,841	\$0	\$24,993	

Projected FTE and Headcount are:

	Student Headcount	Student FTE
First Year	6	4.5
Second Year	12	9
Third Year	18	13.5
Fourth Year	24	18
Fifth Year	24	18

On March 29, 2007, the Florida Board of Governors approved Board Regulation 8.011, which sets forth criteria for implementation and authorization of new doctorates by the Board of Governors, as well as criteria for implementation and authorization of Bachelor's, Master's and Specialist degrees by Boards of Trustees. The following staff analysis is an assessment of how well the university meets Board Accountability and Readiness criteria for implementation of this degree program.

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Proposal Page Numbers:

INTRODUCTION		ACCOUNTABILITY		READINESS				
Program Description	Board Goals	Overall	Budget	Mission and Strength	Program Quality	Curriculum	Faculty	Resources
3	7	10	34	44	52	57	72	85

A. Program Description:

The University of Central Florida's Nicholson School of Communication (NSC) is proposing to establish a doctoral program (Ph.D.) in Strategic Communication with two tracks: health communication and risk/crisis communication. The purpose of the program is to prepare students to research, teach, develop, and test messages that prepare for and/or respond to critical situations where health, social, and/or economic interests are at risk or in crisis (p. 3).

The Ph.D. in Strategic Communication will require the completion of a minimum of 60 credit hours beyond the master's degree including core courses (9 credits), research methods (12 credits), health or crisis/risk concentration (6 credits), community engagement/practicum/internship (3 credits), elective coursework (15 hours), and the dissertation (15 credits). The program is designed to be completed in four years.

B. System-Level Analysis and Evaluation in accordance with BOG Regulation 8.011:

The proposal provides alignment of the program with the State University System's strategic plan. The program will support the System's goals by strengthening the quality and reputation of academic programs, research, scholarship, and innovation, and the commitment to community and business engagement. The program will increase STEM degree productivity and efficiency as well as increase research, collaboration and external support for research activity through grants and contracts with federal and private funding entities. Community and business engagement will increase with collaborative experience-based learning opportunities and graduates will be prepared to enter the community and business workforce.

Need for Graduates in the Labor Market

The proposal documents the need for doctorates in aspects of strategic communication both in academic areas (p. 11) and in non-academic areas (p. 14). Board staff conducted independent analysis and found data supporting an increasing need in the academic market, but contradictory findings for non-academic areas.

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Labor market data, presented below, suggests greater than average job growth; however, market data lists a bachelor's or master's as the entry level education for all occupational families within this CIP.

Table 1: Labor Market Data for Strategic Communication

Source	Occupations (CIP 09.0900 Public Relations, Advertising, and Applied Communication)	Projections	Entry-level Ed.
BLS*	Advertising and Promotions Managers	10%	Bachelor's
BLS*	Public Relations and Fundraising Managers	10%	Bachelor's
BLS*	Public Relations Specialists	9%	Bachelor's
BLS*	Communications Teachers, Postsecondary	10.0%	Doctoral
DEO**	Advertising and Promotions Managers	11.5%	Bachelor's
DEO**	Public Relations and Fundraising Managers	11.2%	Bachelor's
DEO**	Public Relations Specialists	11.2%	Bachelor's
DEO**	Communications Teachers, Postsecondary	12.7%	Master's or Higher

*Employment Change: BLS 2016-2026 (BLS)

**Statewide and Regional Projections (FL) 2017-2025 (FL DEO)

Academic Market. The National Communication Association's (NCA) 2016-2017 Academic Job Listings in Communication Report, which assessed faculty job announcements by research and teaching specialty posted between September 1, 2016 through August 31, 2017, states there were 184 faculty position announcements (15.6% of the total postings) mentioning the areas of strategic/public relations/advertising and five faculty positions in the areas of risk/crisis/conflict communication. The last three consecutive job reports from NCA listed the area of strategic/public relations/advertising as the most popular specialty. An online search of current employment opportunities on the NCA website, conducted on September 4, 2018, resulted in one faculty position in advertising, three in health communication, and one in strategic communication. However, this search was conducted at the start of the academic job market year.

An online search by board staff of related employment opportunities on September 4, 2018 of Inside Higher Education (Inside Higher Ed) returned 19 faculty positions in media and communication studies, 10 positions in public relations and advertising, and seven in other faculty positions. An earlier search on March 29, 2018 returned 245 faculty positions in media and communication studies, 45 positions in public relations and advertising, and 199 other communications faculty.

Private/Corporate Labor Market. In assessing market demand in the private/corporate sector, a search for full-time mid-level to senior level communication specialist positions in Florida on Indeed.com conducted on September 4, 2018 returned 2,831 advertised

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positions. As a whole, these positions required bachelor's and master's degrees with two to eight years of experience in public relations, communications, public affairs, and other related experience. Advertised positions included but were not limited to universities, hospitals, corporations, and non-profit organizations.

Board staff also reviewed job openings at the top four public relations firms in the country to identify openings that required or preferred a Ph.D. in Strategic Communication¹. Upon review of upper-level openings specific to healthcare and general not one required or preferred a Ph.D. As noted in the table below, most openings require a minimum of a bachelor's degree and several years of experience.

Table 2: Sample Job Opportunities, Required Education, and Qualifications

Job Title	Education Qualifications	Experience Qualifications
Senior Manager, Healthcare Public Relations	BA/BS	Seven years of public relations experience required
Senior Manager, Media Relations (Healthcare)	BA/BS	Four to six years in a public relations/communication and strategy and execution
Senior Vice President Corporate Communications	MA/MS	
Managing Supervisor Healthcare	BA/BS	Seven to nine years of public relations agency experience in healthcare
Global Manager, Strategy and Operations	None required BA/BSA or MBA preferred	Eight years of related experience in the communications field
Manager, Influencer Research & Measurement (risk)	BA/BS	Three to five years of experience with research, digital analytics, and PR a plus
Research Manager	BA/BS	Two years required Four years of research experience preferred
Vice President of Public Affairs and Issues Advocacy	BS/BA	Eight years of experience
Vice President of Health	BA/BS	Eight years in public relations or related fields
Senior Director of Communications	BA/BS	Seven years of experience in communications

¹ Board staff reviewed the Holmes Report's *The Global Top 250 PR Agency Ranking 2017*, to identify the Top 4 PR firms.

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Senior Manager, Healthcare Public Relations	BA/BS	Seven years of public relations experience required
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Federal/State Labor Market. On September 4, 2018, board staff conducted a search of federal job postings (USAjobs) for public affairs specialists, emergency management specialists, health communication specialists, and similar positions. Although the search returned 685 openings in these areas, most postings listed years of service requirements and at least a year or more of specialized experience. Examples of GS-11 and above job positions listing specialized experience include the following.

- A public affairs specialist for the Army National Guard required a bachelor's with general and specialized experience. Specialized experience is a minimum of 36 months of writing and communication experience related to public affairs of the military.
- A public affairs specialist position for the U.S. Census Bureau required one year of experience equivalent to the GS-12 level in federal service, but explicitly notes that education cannot substitute for experience.
- An emergency management specialist position, also listed in the proposal (Appendix J, p. 280), states prior experience must be in a federal service management position including "participating in briefing and strategy meetings; develop, analyze, and prepare plans and reports for preparedness and emergency response activities; and receive, track and post requests for information that require agency action and furnish real time alerting and reporting on potential or real emergency situations."

Additional job postings listed in the proposal also highlighted specialized experience.

- An emergency management specialist posting listed in the proposal (Appendix J, p. 297) is reserved for current Federal Emergency Management employees or reservist as noted by its incident core (IC-11) designation. This job opening is temporary and not open to the public.
- A health communications specialist for the Food and Drug Administration (FDA) (Appendix J, p. 281) requires "one year of specialized experience, equivalent to the GS-11 level in the federal service that included planning and implementing communications and marketing strategies; evaluating communications and marketing strategies and campaigns to measure its effectiveness; drafting and disseminating information, products; and disseminating program information through presentations."

Since job postings did not list education requirements, a supplemental search for similar job postings on Indeed.com returned jobs in the corporate sector with minimum qualifications of an MA, MS, or MPH.

On September 14, 2018 Board staff received communication from UCF using information from the Office of Personnel Management's (OPM) guidelines on

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clarification and qualification of staff grades. The proposal and response letter suggest (p. 16) and provide evidence of government job postings at the GS-12 and above (pp. 17-18 and Appendix J pp. 248-297) which, according to OPM guidelines on research positions, requires a doctorate degree. According to the OPM website, research positions “primarily involve scientific inquiry or investigation” and academic preparation is sufficient because it allows the individual to perform a full range of tasks after a short orientation period. The occupational series covered under this guideline includes jobs in the fields of engineering, architecture, pathology, biological science, operations research, and others. The only related occupational series is public health educator, which requires a doctorate from an accredited program in public health.

The positions supplied in the proposal and Appendix A (e.g., public affairs specialist, health communications specialist, emergency management specialist, etc.) fall under the administrative and management positions’ job family. The OPM guidelines clarify that for some positions the work may be “sufficiently technical or specialized that graduate study alone may not provide the knowledge and skills needed to perform the work.” Administrative and management positions may require at least one year of specialized experience at the previous grade (i.e., a GS-11 must have one year of specialized experience at the GS-9 level). Applicants with one year of specialized experience “are not required by this standard to have general experience, education above the high school level, or any additional specialized experience to meet the minimum qualification requirements.” As noted in the proposal (p. 16), students of the program will graduate with:

- one to two years of experience in grant writing, administration, research design, data collection, and analysis;
- two years of experience as instructor of record designing and developing their own coursework and training for undergraduate level students; and
- at least six months of externship work with community partners engaging in tasks such as program evaluation and assessment, public communication campaign development, and strategic planning.

While the externship may provide specialized experience, according to the OPM guidelines, the six months of experience would only meet 50% of the requirement. However, in Appendix A, the proposal does note recruitment of professionals in the field. Individuals who begin the program with years of experience will meet these requirements and be able to further develop research and data analytics skills.

It is difficult to assess the workforce demand outside of academia for graduates of this Ph.D. program. The analysis of the non-academic strategic communication job market suggests students may have a greater return on investment by entering the field and gaining experience once they have completed their bachelor’s or master’s degree.

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Student Demand for the Program

The University of Central Florida surveyed all master's level alumni from the last 10 years ($n = 302$) and active students ($n = 56$). Per the proposal, 50% expressed interest in enrolling in a Ph.D. program in the future and 46% of those would definitely or probably apply to the proposed program once it is available. Twenty-five respondents (17%) had already enrolled in another Ph.D. program.

Within the State University System, this would be the first doctoral program offered with CIP code 09.0900 with an emphasis on health or risk/crisis. While no other doctoral program in the System is substantially similar, the enrollment and degrees awarded for the System doctoral programs in communications are included below.

Table 3: Enrollment, Ph.D. in Mass Communication and Media Studies (CIP 09.0102)

	2013	2014	2015	2016	2017
UF	62	67	61	57	64

Source: Florida Board of Governors, Enrollment by CIP, retrieved September 4, 2018

Table 4: Degrees Awarded, Ph.D. in Mass Communication and Media Studies (CIP 09.0102)

	2014 – 2015	2015 -2016	2016- 2017
UF	12	12	18

Source: Florida Board of Governors, Degrees by CIP, retrieved September 4, 2018

Table 5: Enrollment, Ph.D. in Speech Communication and Rhetoric (CIP 09.0101)

	2013	2014	2015	2016	2017
USF – T	*	*	41	41	42

*Data unavailable

Source: Florida Board of Governors, Enrollment by CIP, retrieved September 4, 2018

Table 6: Degrees Awarded, Ph.D. in Speech Communication and Rhetoric (CIP 09.0101)

	2014 – 2015	2015 -2016	2016- 2017
USF – T	*	*	2

*Data unavailable

Source: Florida Board of Governors, Degrees by CIP, Retrieved September 4, 2018

Table 7: Enrollment, Ph.D. in Communication and Media Studies CIP (09.0199)

	2013	2014	2015	2016	2017
FSU	34	32	29	25	29

Source: Florida Board of Governors, Enrollment by CIP, Retrieved September 4, 2018

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Table 8: Degrees Awarded, Ph.D. in Communication and Media Studies CIP (09.0199)

	2014 – 2015	2015 -2016	2016- 2017
FSU	10	7	4

Source: Florida Board of Governors, Degrees by CIP, Retrieved September 4, 2018

The projected headcount is six the first year and 24 by year 5. Per the proposal, the primary source of students for this program will be individuals who have graduated from other degree programs (Appendix A, Table 1-B). Other sources of students indicated include additional out-of-state residents and additional foreign residents as well as individuals drawn from agencies/industries in the service area (Appendix A, Table 1-B).

External Consultant's Report

Dr. Sandra Petronio, Professor in the Department of Communication Studies at Indiana University-Purdue University, and Dr. Matthew Wayne Seeger, Dean of the College of Fine, Performing and Communication Arts at Wayne State University, reviewed the University of Central Florida's proposal for the Ph.D. in Strategic Communication. Both consultants provided letters of support for the program.

Dr. Petronio and Dr. Seeger commented that this program will address a highly significant topic in need of expansion given the challenges of dealing with risk and crisis, which continue to grow. Dr. Petronio wrote, "addressing the challenges with a rich arsenal of dedicated research scientists and expert faculty can foster our ability to develop best practices dealing with these issues" (Appendix D, p. 108). Dr. Seeger commented, "risk and crisis is a growing area of research and practice, and Florida, as was vividly demonstrated by recent events, is obviously an appropriate place for this area of work" (Appendix D, p. 112). Both reviewers also commented on the relevance of the applied program focus, translating research into practice. Dr. Seeger wrote, "the market for doctoral education has changed significantly with a shift toward applied research and jobs in research, business, industry and government as opposed to traditional academic appointments" (Appendix D, p. 112). Dr. Seeger recommended incorporating an internship, a co-op experience, an international service or research experience or a teaching experience which would enhance the applied program focus and elevate the innovation of the program (Appendix D, p. 113).

Both reviewers offered constructive suggestions including the need for consistency and specificity in the curriculum tracks (Appendix D. p. 109 and p. 113) and noted the importance of recruitment efforts to recruit, retain, and graduate a diverse group of students (Appendix D, p. 110 and p. 113). Dr. Seeger questioned the number of UCF faculty with experience training doctoral students and suggested training faculty members through a fellowship program or seminar series to "insure they have the necessary skills to be successful as doctoral mentors" (Appendix D, p. 113).

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Summary

The University of Central Florida is proposing to develop a Ph.D. in Strategic Communication with two tracks: health communication and risk/crisis communication. This will be the first doctoral program with CIP 09.0900 in the State University System. The purpose of the program is to prepare students to research, teach, develop and test messages that prepare for, and/or respond to, critical situations where health, social, and/or economic interests are at risk or in crisis (p. 3). The proposed program requires a minimum of 60 credit hours beyond the master's degree and will be offered at the UCF Downtown campus beginning fall of 2019. The curriculum is designed to be completed in four years (p. 4).

It is difficult to assess the workforce demand outside of academia for graduates of this Ph.D. program. Review by Board staff of upper-level openings (both specific to healthcare, public relations, emergency management, and general) yielded positions requiring bachelor's and master's degrees. Further inquiry in federal positions in the administrative and management job families listed levels of specialized experience where education could not serve as a substitute. For students conducting externships with federal agencies, the program's six month externship would need to be supplemented with an additional six months of experience. This supplemental experience is possible for students who were previously working in emergency management or other governmental sectors and seeking an advanced degree.

C. Assessment of the University Review Process in accordance with BOG Regulation 8.011:

Due to the system of stair step accountability set in place by the Board of Governors in Regulation 8.011, it is now incumbent upon University Board of Trustees to verify that all doctoral programs coming before the Board of Governors have met the requirements of the regulation. The following is an assessment of the university review process to ensure that all criteria set forth have been considered by the university prior to submission to the Board of Governors office.

ACCOUNTABILITY

Check 'yes' or 'no' box, and make comments beneath criterion as appropriate.

- 1. Overall** – *The proposal is in the correct format, includes all necessary signatures, and contains complete and accurate tables for enrollment projections, faculty effort, and the proposed budget.*

YES NO

- ☒ ☐ **The proposal has been approved by the university board of trustees and includes all required signatures.**

The proposed program was approved by the University of Central Florida's

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Board of Trustees on March 22, 2018.

- ☒ ☐ **The university has provided a proposal written in the standard SUS format which addresses new academic program approval criteria outlined in BOG Regulation 8.011.**

The new academic program proposal was written in the standard SUS format and in accordance with the criteria set forth in Board Regulation 8.011.

- ☒ ☐ **The pre-proposal was reviewed by the Council of Academic Vice Presidents (CAVP) workgroup and any concerns identified by the group have been listed and addressed in the proposal.**

The pre-proposal was presented to the Council of Academic Vice Presidents (CAVP) in spring 2015. There was no formal concern raised.

- ☒ ☐ **The university has provided data that supports the need for an additional program in the State University System as well as letters of support or concern from the provosts of other state universities with substantially similar programs.**

The proposed degree program would be the first Doctoral program in the State University System under this CIP code and the first program in strategic communication related to public health, risk, and crisis communication. Letters of support for the program were included from the University of South Florida, Florida Institute of Technology, Florida International University, Florida Atlantic University, Florida State University, University of Florida, University of Miami, and University of North Florida. Letters of support were included from additional universities as well as from professionals/advisory boards.

- ☒ ☐ **The university has provided complete and accurate projected enrollment, faculty effort, and budget tables that are in alignment with each other.**
- ☒ ☐ **The university has included a statement in the proposal signed by the equity officer as to how this proposal will meet the goals of the university's equity accountability plan.**

The University of Central Florida's Equal Opportunity Officer reviewed and signed the proposal on April 24, 2017.

- ☒ ☐ **The program does not substantially duplicate programs at FAMU or FIU or, if it does, evidence was provided that consultations have occurred with**

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the affected university on the impact of the new program on existing programs.

The program does not duplicate programs at FAMU or FIU.

2. Budget – *The proposal presents a complete and realistic budget for the program consistent with university and BOG policy, and shows that any redirection of funding will not have an unjustified negative impact on other needed programs.*

YES NO

- ☒ ☐ **The University Board of Trustees has approved the most recent budget for this proposal.**

The current budget was approved by the University Board of Trustees on March 22, 2018.

- ☒ ☐ **The university has reviewed the budget for the program to ensure that it is complete and reasonable, and the budget appears in alignment with expenditures by similar programs at other SUS institutions.**

The projected E&G cost per FTE in year one is \$28,834 and in year five is \$24,933. The projected costs for the program corresponds with the calculated average cost per FTE of \$28,834 for CIP 09 as provided in the 2016-2017 expenditure analysis report.

- ☐ ☒ **The proposal indicates that the program will follow the cost-recovery or market-rate funding models. If so, details and timelines for getting approvals for these funding models are included in the proposal.**

The program will operate as a traditional graduate program.

- ☒ ☐ **In the event that resources within the institution are redirected to support the new program, the university has identified this redirection and determined that it will not have a negative impact on undergraduate education, or the university has provided a reasonable explanation for any impact of this redirection.**

The proposal indicates that the implementation of the Ph.D. in Strategic Communication will reduce Graduate Teaching Assistantships (GTA) funded positions for the NSC M.A. students. Currently, 16 of the M.A. students are supported on GTA waivers, and per the proposal, at least 13 of those waivers will shift to the Ph.D. students over four years (p. 39). However, the NSC has secured a donation from an alumnus that will

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provide six funded positions for M.A. students. Per the proposal, the undergraduate and graduate programs will benefit from the addition of the Ph.D. program with the doctoral level graduate teaching assistants, independent original research as well as creating research teams with students in the undergraduate and master's programs with research expectations involving external funding.

READINESS

Check 'yes' or 'no' box, and make comments beneath criterion as appropriate.

3. Program Quality – *The proposal provides evidence that the university planning activities have been sufficient and responses to any recommendations to program reviews or accreditation activities in the discipline pertinent to the proposed program have been addressed.*

YES NO

- ☒ ☐ **The university has followed a collaborative planning process for the proposed program in accordance with policies and procedures adopted by the University Board of Trustees.**

The proposal describes a collaborative planning process involving faculty, administrators, doctoral program proposal committees, and external reviewers. A chronological table outlining the collaborative planning process is included in the proposal on pp. 49-52.

- ☒ ☐ **An external consultant has reviewed the proposal and supports the department's capability of successfully implementing this new program.**

Dr. Sandra Petronio, Professor, Department of Communication Studies at Indiana University-Purdue University, served as an external reviewer for the proposed program. Dr. Matthew Wayne Seeger, Dean of the College of Fine, Performing and Communication Arts at Wayne State University, also served as an external reviewer. Their reviews of the proposal were provided (Appendix D). Dr. Petronio and Dr. Seeger noted the need for the program and identified strengths of the proposed program. The reviewers also provided constructive suggestions for further strengthening the program and it was reported that these were incorporated into the proposal (p. 7). Dr. Petronio and Dr. Seeger provided letters of support for the program (Appendix D).

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- ☒ ☐ **The university has found the level of progress that the department has made in implementing the recommendations from program reviews or accreditation activities in the discipline pertinent to the proposed program to be satisfactory.**

Per the proposal, a program review was completed in 2012-2013 by external consultants for the Nicholson School of Communication and the M.A. program. Each recommendation was noted in the proposal as either in progress or completed and the actions taken for each were detailed in the proposal.

- ☒ ☐ **The university has analyzed the feasibility of providing all or a portion of the proposed program through distance learning.**

According to the proposal, the core courses, and most electives will be delivered either face-to-face on the UCF Downtown Campus or in mixed mode formats.

- ☐ ☐ **If necessary, the university has made allowances for licensure and legislative approval to be obtained in a timely manner.** N/A

4. Curriculum – *The proposal provides evidence that the university has evaluated the proposed curriculum and found that it describes an appropriate and sequenced course of study, and that the university has evaluated the appropriateness of specialized accreditation for the program.*

YES NO

- ☒ ☐ **The university has reviewed the curriculum and found that the course of study presented is appropriate to meet specific learning outcomes and industry driven competencies discussed in the proposal.**

The program proposal identifies specific program outcomes in the areas of knowledge, research, applied research or immersion experience, and employment post-graduation (pp. 52-54). The assessment measures for each program outcome are also identified. The program's doctoral colloquium (0 credit hours), core requirements (9 credit hours), research requirements (12 credit hours), community engagement requirement (3 credit hours), restricted elective courses (6 credit hours in area of concentration), and unrestricted electives (15 credit hours) are listed, as well as the dissertation requirement of 15 credit hours. The program is designed to be completed in four years.

The concentration in risk and crisis communication has two required elective courses which are Risk Communication and Seminar in Risk and

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Crisis Communication. For the concentration in Health Communication the two required elective courses are Health Communication and Seminar in Health Communication. The curriculum also consists of 15 credit hours of unrestricted electives. Of the unrestricted elective courses listed, three appear to be related specifically to the risk and crisis concentration and it is noted that students may complete, with approval, up to six hours outside of the Nicholson School of Communication (e.g., Emergency Management). The proposal provides letters of support from UCF's Department of Health and Informatics and the Public Affairs doctoral program expressing support, potential research collaboration, and the opportunity for students to take courses in both programs.

Board staff expressed concern regarding the instructional communication course and its alignment with both academic and professional market needs. Based on the syllabus for the course (Appendix H), this core course appears to prepare students only towards academic job market preparation. However, in the institution's response letter received on September 14, 2018, the department stated the course will also prepare students to conduct training.

- ☐ ☒ **The university anticipates seeking accreditation for the proposed doctoral program, or provides a reasonable explanation as to why accreditation is not being sought.**

There are no accrediting agencies for doctoral programs in this field of communication.

5. Faculty – *The proposal provides evidence that the university is prepared to ensure a critical mass of faculty will be available to initiate the program based on estimated enrollments, and that faculty in the aggregate have the necessary experience and research activity to sustain a doctoral program.*

YES NO

- ☒ ☐ **The university has reviewed the evidence provided and found that there is a critical mass of faculty available to initiate the program based on estimated enrollments.**

According to Appendix A Table 4, 17 current faculty will participate in the doctoral program. The faculty includes three professors, 10 associate professors, three assistant professors, and one lecturer. Each of the faculty participating holds a Ph.D. in their degree field. No new faculty are anticipated.

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- ☒ ☐ **The university has reviewed the evidence provided and found that the faculty in aggregate has the necessary experience and research activity to sustain the program.**

Appendix A, Table 4 of the proposal identifies the academic discipline for current faculty to be Human Communication, Advertising/Public Relations, Radio Television, Journalism, Strategic Communication, and Academic Discipline. According to the Board of Governors data, the University of Central Florida Master of Arts in communication has graduated 144 students since 2011-2012. The Nicholson School of Communication's graduate faculty are actively involved in scholarly productivity with a reported 313 journal articles; 20 books, monographs, compilations, manuals; 112 chapters, cases, readings, supplements; 16 conference proceedings; and 535 scholarly or professional presentations in 2012-2017 (p. 83). The faculty are also active in service to the discipline by serving on journal editorial review boards, advisory boards, professional association committees, book/textbook reviewers, grant proposal reviewers, editors, and serve on executive boards of organizations/associations.

- ☒ ☐ **The university has reviewed the evidence provided and found the academic unit(s) associated with this new degree to be productive in teaching, research, and service.**

According to the proposal narrative on page 79, the faculty who will contribute to the program have been active in teaching, research, and service. The abbreviated curriculum vitae for the faculty members were included in the proposal (Appendix C).

- ☐ ☐ **If appropriate, the university has committed to hiring additional faculty in later years, based on estimated enrollments. N/A**

According to the proposal and Appendix A, no new program faculty are anticipated.

6. Resources – *The proposal provides evidence that the university has ensured the available library volumes and serials; classroom, teaching laboratory, research laboratory, office space, equipment, clinical and internship sites, fellowships, scholarships, and graduate assistantships will be sufficient to initiate the program, and that if applicable, funding has been secured to make more resources available as students proceed through the program..*

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YES NO

- ☒ ☐ **The university has provided a signed statement from the Library Director verifying that the library volumes and serials available are sufficient to initiate the program.**

Per the proposal, no additional databases or journals are needed to support the program. Additional book titles are needed to implement and sustain the program through year 5. The estimated cost of these resources is \$2,500 per year for five years (a total of \$12,500). The projected cost is correctly reflected in Appendix A Table 2. The Library Director submitted a full report of library resources (Appendix B of the proposal), signed and dated March 30, 2017.

- ☒ ☐ **The university has ensured that the physical space necessary for the proposed program, including classrooms, laboratories and office space, is sufficient to initiate the program.**

According to the proposal, the Nicholson School of Communication graduate programs and Human Communication program will reside on the UCF Downtown campus with some of the facilities being maintained at the UCF East campus Nicholson School of Communication building and lab space in the industrial park. Adequate classrooms, laboratories, and office space is anticipated.

- ☒ ☐ **The university has ensured that necessary equipment is available to initiate the program.**

Per the proposal, no additional or specialized equipment is needed for the proposed program. Existing resources are anticipated to continue.

- ☒ ☐ **The university has ensured that fellowships, scholarships, and graduate assistantships are sufficient to initiate the program.**

All students enrolled in the Ph.D. are intended to receive \$18,000 academic-year stipends and tuition waivers for four years. In the third year, six students will enter the dissertation phase and will be paid the academic year stipend as well as a stipend of \$4,500 during the summer due to the requirement for continuous enrollment. These are identified as being supported by contracts and grants and philanthropy endowments.

- ☐ ☒ **If applicable, the university has ensured that the department has arranged a suitable number of clinical and internship sites.**

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Internship sites are secured primarily by the students (p. 91); however students will receive assistance in identifying internships by the Coordinator for Community Engagement. This coordinator role will be filled by a faculty member who will oversee the Community Engagement course. Students are also able to gain information for opportunities available through student-sponsored internship fairs, Career Services, and alumni. The program proposal does include ideas for future development of internship opportunities (p. 91).

Analyst Comments:

- The proposed program seeks to enroll and graduate approximately six students a year. Currently the job market demand is stronger for academic positions. While the analysis suggests students may have a greater return on investment by entering the field and gaining experience once they have completed their bachelor's or master's degree, letters from individuals of the Orlando community and other institutions (Appendix I) express growing interest in and possible future need for more research-oriented strategic communication practitioners. Additionally, the proposal does suggest possible recruitment of individuals who are currently working in public relations who may benefit from increasing their data analytic and research abilities.

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

Academic and Student Affairs Committee

November 8, 2018

SUBJECT: DMA in Music, CIP 50.0901, University of Florida

PROPOSED COMMITTEE ACTION

Consider approval of the DMA of Music, CIP 50.0901, University of Florida

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 8.011

BACKGROUND INFORMATION

The University of Florida (UF) is proposing a Doctor of Musical Arts (DMA) with an academic specialty in Music. The program will require completion of 90 semester credit hours of post-baccalaureate study, with a maximum of 30 credits transferred from a master's degree. This is a professional applied doctorate.

If approved, the program would be the first DMA in CIP 50.0901 in the State University System. The proposed DMA is uniquely designed to prepare highly qualified, elite students for both faculty positions in postsecondary education and the artistic job market. This degree will be distinguished nationally by the requirement of a secondary cognate in a discipline outside of Music, such as Engineering, Entrepreneurship, Management, Arts in Medicine, or Digital Media.

The UF Board of Trustees approved the program on December 15, 2017. If approved by the Board of Governors, UF will implement the program effective Fall 2019.

Supporting Documentation Included:

1. Board Staff Analysis
2. Program proposal available online at www.flbog.edu

Facilitators/Presenters:

University Representative

**BOARD OF GOVERNORS
STATE UNIVERSITY SYSTEM OF FLORIDA
NEW DOCTORAL DEGREE PROPOSAL STAFF ANALYSIS**

Program: Doctor of Musical Arts (DMA)**CIP Code:** 50.0901**Institution:** University of Florida**Proposed Implementation Date:** Fall 2019**Staffed By:** Dr. Traki L. Taylor**Initial Review Date:** 3/20/18**Last Update:** 10/18/18**Projected program costs:**

	Total	% & \$ Current Reallocated	% & \$ New Recurring	% & \$ New Non- Recurring	% & \$ C&G	% & \$ Philanthropy & Endowment	Auxiliary Funds	Cost per FTE	SUS 16-17 Average Cost per FTE
Year 1	\$117,355	100% \$117,355	0% \$0	0% \$0	0% \$0	0% \$0	\$0	\$31,295	\$18,237.60 *50 CIP
Year 5	\$315,727	100% \$315,727	0% \$0	0% \$0	0% \$0	0% \$0	\$0	\$28,065	

Projected FTE and Headcount are:

	Student Headcount	Student FTE
First Year	5	5
Second Year	7	7
Third Year	10	10
Fourth Year	12	12
Fifth Year	15	15

On March 29, 2007, the Florida Board of Governors approved Board Regulation 8.011, which sets forth criteria for implementation and authorization of new doctorates by the Board of Governors, as well as criteria for implementation and authorization of Bachelor's, Master's and Specialist degrees by Boards of Trustees. The following staff analysis is an assessment of how well the university meets Board Accountability and Readiness criteria for implementation of this degree program.

Proposal Page Numbers:

INTRODUCTION		ACCOUNTABILITY		READINESS				
Program Description	Board Goals	Overall	Budget	Mission and Strength	Program Quality	Curriculum	Faculty	Resources
2	4	5	9	12	16	16	30	32

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A. Program Description:

The University of Florida (UF), College of the Arts, School of Music, is proposing to establish a doctoral degree program in Musical Arts. Students will select a concentration in performance, composition, instrumental conducting, or coral conducting. The proposed Doctor of Musical Arts (DMA) will require students to select a secondary cognate area in a discipline outside of music such as Engineering, Entrepreneurship, Management, Arts in Medicine, or Digital Media. This component will give the program national distinction (p. 2).

Each student will benefit from face-to-face and online teaching experiences. They will present newly created work in collaborative engagement between performers and composers from UF, SUS and private areas. Capstone experiences include solo and chamber music recitals, lecture recitals and a substantial research document that integrates music studies with the candidate's cognate area (p. 2).

The purpose of the DMA program is to prepare highly qualified students for higher education and artistic occupations. Potential employment opportunities include orchestra positions, composers, and artistic healthcare positions (p. 2). Employment data varies by cognate (p. 5).

The DMA will require 90 credits of coursework beyond the bachelor's degree, with a maximum of 30 credits transferred from a master's degree. The program requirements include major core coursework (28-36 credits), supportive courses in music (29-36 credits), cognate courses (15-21 credits), and a capstone activity (9-12 credits- project and doctoral research credits) (p. 17).

B. System-Level Analysis and Evaluation in accordance with BOG Regulation 8.011:

The proposal provides alignment of the program with the State University System strategic plan. The program will strengthen the quality and reputation of the academic programs and university as well as strengthen the qualifications and competitiveness of UF graduates. Additionally, the program would contribute to the SUS goals of teaching and learning, research, scholarship, innovation, and community and business engagement (p. 4). The program will increase collaboration between the University of Florida and the private industry to facilitate more research funding and employment opportunities for graduates (p. 4).

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Need for Graduates in the Labor Market

The proposal documents the demand for post-secondary art, drama, and music teachers (p. 5).

Source	Occupations (CIP 50.0901 Music, General)	Projections	Entry-level Ed.
BLS*	Musicians and Singers	6%	No formal education credential
BLS	Secondary School Teachers Except Special Education and Technical Education	8%	Bachelor's Degree
DEO**	Secondary School Teachers Except Special Education and Technical Education	11%	Bachelor's Degree
DEO	Musicians and Singers	9.3%	No formal education credential

*Employment Change: BLS 2016-2026 ([BLS](#))

**Statewide and Regional Projections (FL) 2017-2025 ([FL DEO](#))

Source	Occupations (CIP 50.0903, Music Performance)	Projections	Entry-level Ed.
BLS*	Art, Drama, and Music Teachers, Postsecondary	12%	Master's Degree or Higher
BLS	Music Directors & Composers	6%	Bachelor's Degree
BLS	Musicians & Singers	6%	No formal education credential
DEO**	Art, Drama, and Music Teachers, Postsecondary	13.7%	Master's Degree or Higher
DEO	Musicians and Singers	9.3%	No formal education credential
DEO	Music Directors and Composers	9.4%	Bachelor's Degree

*National Employment Change: BLS 2016-2026 ([BLS](#))

**Statewide and Regional Projections (FL) 2017-2025 ([FL DEO](#))

According to the Bureau of Labor Statistics growth in post-secondary art, drama, and music teaching is predicted to be 12% through 2026. Growth at the state and local level is predicted to be 13.7% through 2025. The minimum education credentialing for music occupations varies.

An online search by board staff of related employment opportunities of HigherEdJobs on September 5, 2018 returned 38 full-time positions (DMA degree preferred or required). A search for full-time mid-level to senior level music positions in Florida on Indeed.com on September 5, 2018, returned 149 advertisements.

Specific job opportunities tied to cognate areas are provided and discussed. The proposal states that data on specific outcomes is not yet known for this new

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interdisciplinary curriculum, but reasonable projections are possible with existing data from related cognate fields (pp. 5-6).

The proposal notes opportunities for internships with industry in the local area. For example Ocala Symphony Orchestra, Great Southern Music, and D'Addario are possible internship placements for graduates (p. 36).

Student Demand for the Program

Regarding student demand, the proposal notes that the School of Music conducted a survey of the following:

- University of Florida alumni (N =17)
- Faculty members in a Department or School of Music (N=8)
- Current doctoral students (N= 2)
- Current master's students (N=1)
- Music industry professionals (N = 5)

Of the 33 respondents 79% (n = 26) responded to the following question, "Based on the proposed degree description and your knowledge of the University of Florida and the School of Music, how interested would you be in pursuing the proposed DMA yourself, or recommending the degree to your students or colleagues?" Sixty-two percent (n =16) responded that they would be extremely interested or very interested in recommending or pursuing a DMA at the University of Florida (Appendix C).

Substantially Similar Programs

Within the SUS, the University of Florida (UF), the University of South Florida-Tampa (USF-T) and Florida State University (FSU) offer a variety of graduate music degree programs. Only FSU offers a DMA and graduated six students in 2010-2011. Outside of the State University System, the University of Miami offers three DMA degrees. One in coral conducting, one in composition and one in performance.

The University of Florida already offers the following degree programs in CIP 50.0901:

- Ph.D. in Composition, Theory, and Technology
- Ph.D. in Music Education
- Ph.D. in Musicology and Ethnomusicology

The University of South Florida-Tampa offers the following degree program in CIP 50.0901:

- Ph.D. in Music Education

Florida State University offers the following degree program in CIP 50.0903:

- DMA in Composition
- DMA in Performance (various concentrations available)

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- Ph.D. in Music Education (various concentrations available)

Florida State University offers the following degree program in CIP 50.0904:

- Ph.D. in Music Theory and Composition.

Florida State University offers the following degree program in CIP 50.0905:

- Ph.D. in Musicology (various concentrations available)

The University of Miami offers the following degree programs:

- DMA in Choral Conducting
- DMA in Composition (various concentrations available)
- DMA in Performance (various concentrations available)
- Ph.D. in Music Education (concentration in Music Therapy available)

The enrollment and degrees awarded for Ph.D.'s in CIP 50.0901, 50.0903, 50.0904, and 50.0905 across the State University System are included below:

Table 1: Fall Enrollment, Ph.D. in Music (CIP 50.0901)

	2013	2014	2015	2016	2017
UF	25	26	22	22	22
USF - T	16	19	16	18	17

Source: Florida Board of Governors, Interactive University Database, retrieved September 4, 2018

Table 2: Degrees Awarded, Ph.D. in Music (CIP 50.0901)*

	2013 – 2014	2014 -2015	2015- 2016
UF	8	4	4
USF – T	2	3	3

Source: Florida Board of Governors, Interactive University Database, retrieved September 4, 2018

*There are no professional doctorate degrees awarded under this CIP in the SUS to date.

Table 3: Fall Enrollment, Ph.D. in Music Performance (CIP: 50.0903)

	2013	2014	2015	2016	2017
FSU	86	87	93	89	92

Source: Florida Board of Governors, Interactive University Database, retrieved September 4, 2018

Table 4: Degrees Awarded, Ph.D. in Music Performance (CIP: 50.0903)*

	2013 – 2014	2014 – 2015	2015 – 2016
FSU	28	25	19

Source: Florida Board of Governors, Interactive University Database, retrieved September 4, 2018

*FSU graduated 6 professional doctorates in 2010-2011

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Table 5: Fall Enrollment, Ph.D. in Music Theory and Composition (CIP 50.0904)

	2013	2014	2015	2016	2017
FSU	22	24	22	22	20

Source: Florida Board of Governors, Interactive University Database, retrieved September 4, 2018

Table 6: Degrees Awarded, Ph.D. in Music Theory and Composition (CIP: 50.0904)

	2013 – 2014	2014 – 2015	2015 – 2016
FSU	3	7	2

Source: Florida Board of Governors, Interactive University Database, retrieved September 4, 2018

Table 7: Fall Enrollment, Ph.D. in Musicology (CIP 50.0905)

	2013	2014	2015	2016	2017
FSU	33	34	27	28	25

Source: Florida Board of Governors, Interactive University Database, retrieved September 4, 2018

Table 8: Degrees Awarded, Ph.D. in Musicology (CIP: 50.0905)

	2013 – 2014	2014 – 2015	2015 – 2016
FSU	3	7	5

Source: Florida Board of Governors, Interactive University Database, retrieved September 4, 2018

The projected headcount enrollment is five for the first year and 15 by year five. The proposal states that the primary source of students for this program will be agencies and industries in the service area (Appendix A, Table 1-B). Other sources of students include individuals who graduated from other degree programs at other Florida public universities, individuals who graduated from degree programs at non-public Florida institutions and individuals who graduated from degree programs at the University of Florida (Appendix A, Table 1-B).

The proposal notes that UF has been in consultation with Deans of Music and faculty members at the University of Miami and Florida State University. No official concerns regarding the implementation of the proposed program were expressed. Additionally, the Dean of the College of Arts at the University of South Florida–Tampa also expressed no official concerns about the proposed program (p. 9).

External Consultant's Report

Dr. Daniel Sher, Dean Emeritus of the College of Music at the University of Colorado Boulder, reviewed the University of Florida's proposal for the establishment of Doctor of Musical Arts degree and provided a letter of support for the program. Dr. Sher noted that having students specialize in a cognate area from a non-music specialty, as setting this program apart from other music DMA programs in the state and at the national level. Dr. Sher noted that the faculty was well credentialed and the faculty's focus on

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collaborative work elevated the University of Florida's School of Music. Dr. Sher, did note that the music facilities at the University of Florida are in need of updating in order to improve student success. Dr. Sher, was strongly in support of the development of a Doctorate in Musical Arts degree program at the University of Florida (pp. 3-4 and Appendix E).

Summary

The University of Florida is proposing to develop a Doctor of Musical Arts degree program. Students will specialize in composition, performance, instrumental conducting, or choral conducting and will be required to select a cognate area in a non-music subfield such as engineering, arts in medicine, or entrepreneurship as part of their DMA studies (p. 2). This would be first DMA program that would require students to select a non-music cognate as part of their course of study (p. 5). Within the State University System, Florida State University (FSU) offers several Ph.D. programs in Music as well as offering a DMA program. The University of South Florida-Tampa offers a Ph.D. in Music with a focus in Music Education and the University of Florida currently offers a Ph.D. in Music. The proposal only provides possible cognate courses in Arts in Medicine, Entrepreneurship, Health, Medicine, and Business (pp. 28-29). Curriculum details for cognates such as Engineering and Digital Arts and Media are not provided (p. 28-29).

The University of Florida already has an existing Ph.D. program in CIP 50.0901. FSU has an existing DMA program, but this program does not have its own CIP Code separate from their other music program. UF is using this model and classifying their DMA as a professional doctorate. However, DMA programs are typically classified as research graduate degrees (R) and not (P).

Although this program will offer graduates a specific type of training that is highly specialized and may fill a niche market, the Board staff review indicates there are limited occupations linked to this type of training. In general, there does appear to be growing demand for music graduates trained in most of the cognate fields connected to the teaching profession. The Bureau of Labor Statistics reports that growth in post-secondary art, drama, and music teaching is predicted to be 15%, which reflects an above average growth rate through 2026, however, growth at the local and state level appears to be on much a smaller scale.

The external reviewer was in favor of the development of this program and spoke of the uniqueness of the curriculum with respect cognate areas, however, music facilities and resources would need to be updated in order to ensure student success.

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C. **Assessment of the University Review Process in accordance with BOG Regulation 8.011:**

Due to the system of stair step accountability set in place by the Board of Governors in Regulation 8.011, it is now incumbent upon University Board of Trustees to verify that all doctoral programs coming before the Board of Governors have met the requirements of the regulation. The following is an assessment of the university review process to ensure that all criteria set forth have been considered by the university prior to submission to the Board of Governors office.

ACCOUNTABILITY

Check 'yes' or 'no' box, and make comments beneath criterion as appropriate.

- 1. Overall** – *The proposal is in the correct format, includes all necessary signatures, and contains complete and accurate tables for enrollment projections, faculty effort, and the proposed budget.*

YES NO

- ☒ ☐ **The proposal has been approved by the university board of trustees and includes all required signatures.**

The proposed program was approved by the University of Florida Board of Trustees on December 15, 2017.

- ☒ ☐ **The university has provided a proposal written in the standard SUS format which addresses new academic program approval criteria outlined in BOG Regulation 8.011.**

The new academic program proposal was written in the standard SUS format and in accordance with the criteria set forth in Board Regulation 8.011.

- ☒ ☐ **The pre-proposal was reviewed by the Council of Academic Vice Presidents (CAVP) workgroup and any concerns identified by the group have been listed and addressed in the proposal.**

The pre-proposal was presented to the CAVP February 10, 2017 and no formal concerns requiring a response were raised (p. 3).

- ☒ ☐ **The university has provided data that supports the need for an additional program in the State University System as well as letters of support or concern from the provosts of other state universities with substantially similar programs.**

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The proposal included internal letters of support from various UF disciplines (Attachment A) but did not include external letters of support from other SUS institutions or industry professionals, outside of Dr. Daniel Sher, the external reviewer from the University of Colorado, Boulder. While the unique features of this program that distinguish it from others was made clear, the only documented labor market demand for the program was for postsecondary teachers.

- ☒ ☐ **The university has provided complete and accurate projected enrollment, faculty effort, and budget tables that are in alignment with each other.**
- ☒ ☐ **The university has included a statement in the proposal signed by the equity officer as to how this proposal will meet the goals of the university's equity accountability plan.**

University of Florida's Equal Opportunity Officer reviewed and signed the proposal on March 2, 2017.

- ☒ ☐ **The program does not substantially duplicate programs at FAMU or FIU or, if it does, evidence was provided that consultations have occurred with the affected university on the impact of the new program on existing programs.**

FAMU and FIU do not offer DMA programs (p. 9).

2. Budget – *The proposal presents a complete and realistic budget for the program consistent with university and BOG policy, and shows that any redirection of funding will not have an unjustified negative impact on other needed programs.*

YES NO

- ☒ ☐ **The University Board of Trustees has approved the most recent budget for this proposal.**

The current budget was approved by the University Board of Trustees on December 15, 2017.

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- ☒ ☐ **The university has reviewed the budget for the program to ensure that it is complete and reasonable, and the budget appears in alignment with expenditures by similar programs at other SUS institutions.**

The projected E&G cost per FTE in year one (1) is \$31,295.00 and in year five (5) is \$28,065.00. The costs for the program are higher than the calculated average cost per FTE of \$18,237.60 for CIP 50 as provided in the 2016-17 expenditure analysis report. The range of costs associated with the average E&G Cost per FTE can vary considerably by university due to factors related to enrollment scale and diversity of programs in CIP 50.

- ☐ ☒ **The proposal indicates that the program will follow the cost-recovery or market-rate funding models. If so, details and timelines for getting approvals for these funding models are included in the proposal.**

N/A

- ☒ ☐ **In the event that resources within the institution are redirected to support the new program, the university has identified this redirection and determined that it will not have a negative impact on undergraduate education, or the university has provided a reasonable explanation for any impact of this redirection.**

The proposal indicates that the implementation of the Doctorate of Musical Arts will have no negative impact on other existing programs or services. The MM (Master of Music), from which this program will draw students, will only be impacted by reduction in size (p. 10).

READINESS

Check 'yes' or 'no' box, and make comments beneath criterion as appropriate.

3. Program Quality – *The proposal provides evidence that the university planning activities have been sufficient and responses to any recommendations to program reviews or accreditation activities in the discipline pertinent to the proposed program have been addressed.*

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YES NO

- ☒ ☐ **The university has followed a collaborative planning process for the proposed program in accordance with policies and procedures adopted by the University Board of Trustees.**

The proposal describes a collaborative planning process involving program faculty, faculty senate, administrators, the Associate Provost, the Council of Academic Vice Presidents, the Deans and an Associate Dean of Colleges of Arts (UF and other institutions), accrediting bodies, faculty at other SUS institutions, UBOT and an external reviewer. A chronological table outlining the collaborative planning process is included in the proposal on page 15.

- ☒ ☐ **An external consultant has reviewed the proposal and supports the department's capability of successfully implementing this new program.**

Dr. Daniel Sher, Dean Emeritus of the College of Music at the University of Colorado Boulder, reviewed the University of Florida's proposal for the establishment of Doctor of Musical Arts degree and provided a letter of support for the program. Dr. Sher noted that having students specialize in a cognate area from a non-music specialty, as setting this program apart from other music DMA programs in the state and at the national level. Dr. Sher noted that the faculty was well credentialed and the faculty's focus on collaborative work elevated the University of Florida's School of Music. Dr. Sher, did note that the music facilities at the University of Florida are in need of updating in order to improve student success. Dr. Sher, was strongly in support of the development of a Doctorate in Musical Arts degree program at the University of Florida (pp. 3-4 and Appendix E).

- ☒ ☐ **The university has found the level of progress that the department has made in implementing the recommendations from program reviews or accreditation activities in the discipline pertinent to the proposed program to be satisfactory.**

- ☒ ☐ **The university has analyzed the feasibility of providing all or a portion of the proposed program through distance learning.**

According to the proposal, the degree will be offered at the University of Florida's main campus in Gainesville. Students may have the ability to complete portions of their degree online as cognate options may include online course work (p. 5).

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- ☐ ☒ **If necessary, the university has made allowances for licensure and legislative approval to be obtained in a timely manner.**

N/A

4. Curriculum – *The proposal provides evidence that the university has evaluated the proposed curriculum and found that it describes an appropriate and sequenced course of study, and that the university has evaluated the appropriateness of specialized accreditation for the program.*

YES NO

- ☒ ☐ **The university has reviewed the curriculum and found that the course of study presented is appropriate to meet specific learning outcomes and industry driven competencies discussed in the proposal.**

Per the proposal, the Doctorate of Musical Arts will consist of 90 credit hours beyond the Bachelor's degree. The curriculum breakdown includes:

- 28-36 credit hours of major core coursework;
- 29-36 credits of supportive courses in music;
- 15-21 credits in the cognate area; and
- 9-12 credits of capstone activity (project and doctoral research credits).

Students will specialize in one of four concentrations (composition, instrumental conducting, choral conducting, or performance). Students will also select one cognate area that is not in a music discipline. Possible cognate areas include but are not limited to: Engineering, Entrepreneurship, Business, and Arts in Medicine. Students will also have to premiere at least one new composition, pass a comprehensive written exam, capstone recital(s), and develop and successfully defend an interdisciplinary doctoral research project (p. 17).

The proposal identifies the required core courses, concentration courses, cognate courses, and the capstone experience, and includes a sequenced course of study for the proposed program. The proposal describes specific learning outcomes relating to knowledge, skills, and professional behavior (pp. 16-17). Possible cognate courses that students may enroll in are, included for entrepreneurship, health, business and arts in medicine, but not the other cognates (pp. 29).

Instrumental Conducting requires a foreign language reading requirement in German or French that is not required for the other three concentrations. The parameters for satisfying this requirement are not outlined in the proposal (p. 19).

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Finally, the proposal mentions that a maximum of 30 credit hours can be transferred from the Master's degree (p. 3) but there is no explanation of how credits would transfer from a Master's degree in the curriculum section of the proposal (pp.18-29).

- ☒ ☐ **The university anticipates seeking accreditation for the proposed doctoral program, or provides a reasonable explanation as to why accreditation is not being sought.**

The University of Florida's School of Music is accredited by the National Association of Schools of Music (NASM) and is currently in good standing (p. 16) and this was verified by Board staff on September 4, 2018. The last comprehensive review was 2010. The next NASM program review is scheduled for Academic Year (AY) 2019-2020.

The proposed Doctorate of Musical Arts was developed in consultation with NASM. In accordance with the NASM accrediting schedule, upon receiving institutional approval, the UF DMA was presented to NASM in October, 2017 for consideration at the November 2017 meeting of the NASM Commission on Accreditation. In December, 2017, the School of Music received notification of full accreditation (no revisions requested) of all concentrations of the DMA and with special commendation on the proposal (p. 30).

5. Faculty – *The proposal provides evidence that the university is prepared to ensure a critical mass of faculty will be available to initiate the program based on estimated enrollments, and that faculty in the aggregate have the necessary experience and research activity to sustain a doctoral program.*

YES NO

- ☒ ☐ **The university has reviewed the evidence provided and found that there is a critical mass of faculty available to initiate the program based on estimated enrollments.**

According to Appendix A, Table 4, 12 tenured faculty members will be affiliated with the program. The faculty includes nine professors and three (3) associate professors.

- ☒ ☐ **The university has reviewed the evidence provided and found that the faculty in aggregate has the necessary experience and research activity to sustain the program.**

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Appendix A, Table 4 of the proposal identifies the academic discipline for all current faculty to be in Music. All faculty have an additional related specialty (Composition, Conducting, or specialized instrument). Ten faculty have a DMA, one faculty member has a Ph.D., and one faculty member has a MM. According to the proposal, the University of Florida, current graduate enrollment for 2016-2017 stands at 171 majors (p. 31). The proposal reports that since the School of Music instituted formal annual assessments of learning outcomes in 2011, School of Music students (graduate and undergraduate) have averaged 4.47 out of 5 across all programs (p. 31). Faculty have relevant teaching, research, grant acquisition and national and international experiences (Appendix D). Departmental and campus and external community services are also noted (p. 32).

- ☒ ☐ **The university has reviewed the evidence provided and found the academic unit(s) associated with this new degree to be productive in teaching, research, and service.**

Faculty who will contribute to the program have been active in teaching, research, and service (p 32 and Appendix D). The abbreviated curriculum vitae for faculty who are projected to supervise doctoral students through year five are included in the proposal (Appendix D).

- ☐ ☒ **If appropriate, the university has committed to hiring additional faculty in later years, based on estimated enrollments.**

N/A

6. Resources – *The proposal provides evidence that the university has ensured the available library volumes and serials; classroom, teaching laboratory, research laboratory, office space, equipment, clinical and internship sites, fellowships, scholarships, and graduate assistantships will be sufficient to initiate the program, and that if applicable, funding has been secured to make more resources available as students proceed through the program..*

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YES NO

- ☒ ☐ **The university has provided a signed statement from the Library Director verifying that the library volumes and serials available are sufficient to initiate the program.**

The libraries of the University of Florida form the largest information resource system in the state of Florida (p. 33). The library director signed off on the proposal on March 2, 2017. Resources include, but are not limited to, print and electronic journals, electronic books, and databases (pp. 33-34).

- ☒ ☐ **The university has ensured that the physical space necessary for the proposed program, including classrooms, laboratories and office space, is sufficient to initiate the program.**

According to the proposal, additional space is not needed to support this program (p. 35). The external consultant (Appendix E) raised concerns regarding the outdated music facilities and whether these existing resources would ensure student success (Appendix E).

- ☒ ☐ **The university has ensured that necessary equipment is available to initiate the program.**

According to the proposal, no additional or specialized equipment is needed for the proposed program (p. 35).

- ☒ ☐ **The university has ensured that fellowships, scholarships, and graduate assistantships are sufficient to initiate the program.**

Fifteen graduate assistantships from the current Master of Music program, totaling \$219,956.00 will be reallocated to the Doctorate of Musical Arts by years five (p. 36).

- ☒ ☐ **If applicable, the university has ensured that the department has arranged a suitable number of clinical and internship sites.**

Per the proposal, industry professionals have been contacted about this program and the proposal states that internship opportunities will be available for students at the local and national level (p. 36).

Analyst's comments: This program could have a strong impact on the arts and other creative communities. The proposal is detailed and well thought out. UF has already sent the proposal through their accrediting body for music (NASM) and had the proposal approved. With this in mind, the program will be ready to start strong if approved by the BOG. Additional clarity could

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still be helpful around the cognates. It appears that the opportunities in that area are limitless. With this in mind, regulation and oversight will be critical.

While there are other DMAs in Florida, UF's proposed degree has a niche that places it in a unique position. Unlike other DMAs, the University of Florida's program offers four concentrations (Performance, Composition, Instrumental Conducting, and Coral Conducting) with cognates in various fields that allows each candidate the ability to craft/create a degree that will afford them the education, training and experience to creatively impact multiple fields in ways that sets this degree apart from others in the state.

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

Academic and Student Affairs Committee

November 8, 2018

SUBJECT: Ph.D. in Intelligent Systems and Robotics, CIP 11.0102, University of West Florida

PROPOSED COMMITTEE ACTION

Consider approval of the Ph.D. in Intelligent Systems and Robotics, CIP 11.0101, University of West Florida

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 8.011

BACKGROUND INFORMATION

The University of West Florida (UWF) is proposing a Ph.D. in Intelligent Systems and Robotics. The degree program will require the completion of 42 semester credit hours beyond the master's degree or 72 semester credit hours beyond the bachelor's degree.

If approved, the proposed Ph.D. in Intelligent Systems and Robotics would be the first program under CIP 11.0102 to be offered in the State University System (SUS) and the first research doctorate at UWF. The program will be an affiliation between UWF and the Florida Institute for Human and Machine Cognition (IHMC), a not-for-profit research institute of the SUS. The purpose of the proposed program is to prepare educators and researchers to develop technology combining human and machine elements. Potential employment opportunities include a variety of high-tech industries such as advanced manufacturing, healthcare, defense, and transportation, as well as in higher education.

The UWF Board of Trustees approved the program on June 5, 2018. If approved by the Board of Governors, UWF will implement the program effective Fall 2019.

Supporting Documentation Included:

1. Board Staff Analysis
2. Program proposal available online at www.flbog.edu

Facilitators/Presenters:

University Representative

**BOARD OF GOVERNORS
STATE UNIVERSITY SYSTEM OF FLORIDA
NEW DOCTORAL DEGREE PROPOSAL STAFF ANALYSIS**

Program: Ph.D. in Intelligent Systems
and Robotics

CIP Code: 11.0102

Institution: University of West Florida

Proposed Implementation Date: Fall 2019

Staffed By: Dr. Lynn Hunt Long

Initial Review Date: 8/21/18

Last Update: 10/8/18

Projected program costs:

	Total	% & \$ Current Reallocated	% & \$ New Recurring	% & \$ New Non- Recurring	% & \$ C&G	% & \$ Philanthropy Endowments	Auxiliary Funds	Cost per FTE	SUS 16-17 Average Cost per FTE
Year 1	\$439,020	13% \$59,248	58% \$254,772	0% \$0	0% \$0	29% \$125,000	\$0	\$0	\$16,766* 11 CIP
Year 5	\$1,521,170	27.6% \$420,148	15.1% \$229,772	0% \$0	0% \$0	57.3% \$871,250	\$0	\$0	

Projected FTE and Headcount are:

	Student Headcount	Student FTE
First Year	7	3.85
Second Year	14	7.70
Third Year	21	11.55
Fourth Year	28	15.40
Fifth Year	35	19.25

On March 29, 2007, the Florida Board of Governors approved Board Regulation 8.011, which sets forth criteria for implementation and authorization of new doctorates by the Board of Governors, as well as criteria for implementation and authorization of Bachelor's, Master's and Specialist degrees by Boards of Trustees. The following staff analysis is an assessment of how well the university meets Board Accountability and Readiness criteria for implementation of this degree program.

Proposal Page Numbers:

INTRODUCTION		ACCOUNTABILITY		READINESS				
Program Description	BOARD Goals	Overall	Budget	Mission and Strength	Program Quality	Curriculum	Faculty	Resources
2	4	5	14	18	21	22	30	39

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A. Program Description:

The University of West Florida's Hal Marcus College of Science and Engineering, Department of Intelligent Systems and Robotics, is proposing to establish a Doctor of Philosophy in Intelligent Systems and Robotics. The proposed Ph.D. in Intelligent Systems and Robotics would be the first program under CIP 11.0102 to be offered in the State University System of Florida. The program will be an affiliation between the University of West Florida and the Florida Institute for Human and Machine Cognition (IHMC), a not-for-profit research institute of the State University System of Florida. IHMC has a Pensacola campus and an Ocala campus.

According to the National Center for Education Statistics, CIP 11.0102, Artificial Intelligence and Robotics is a program that focuses on the symbolic inference, representation, and simulation by computers and software of human learning and reasoning processes and capabilities, and the modeling of human motor control and motions by computer-driven machinery. It includes instruction in computing theory, cybernetics, human factors, natural language processing, robot design, and applicable aspects of engineering, technology, and specific end-use applications (Source: <https://nces.ed.gov/pubs2002/cip2000/cip2000.asp?CIP2=11.0102>). This CIP code appropriately aligns with the proposed program.

The purpose of the Ph.D. in Intelligent Systems and Robotics is to prepare highly qualified educators and researchers to develop technology combining human and machine elements (p. 2). Potential employment opportunities include a variety of high-tech industries such as advanced manufacturing, healthcare, defense, and transportation, as well as in higher education.

The degree program will require the completion of 42 semester credit hours for students who enter the program with an approved master's degree or 72 semester credit hours for students who enter the program without an approved master's degree (p. 24).

B. System-Level Analysis and Evaluation in accordance with BOG Regulation 8.011:

The proposal provides alignment of the program with the State University System strategic plan. The program will increase the number of advanced degrees awarded in a STEM discipline, strengthen the quality and reputation of scholarship, research, and innovation in the state as well as enhance research productivity through collaboration with IHMC. Per the proposal, there is substantial grant funding potential for this degree program (p. 9) and local organizations would benefit from the research activities and program graduates (p. 10).

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The proposed program also aligns with the mission at UWF to:

- provide high-quality undergraduate and graduate education,
- conduct teaching and research that services the body of knowledge, and
- contribute to the needs of professions and society.

The Ph.D. in Intelligent Systems and Robotics was included for consideration on the 2017 UWF University Work Plan Report.

Need for Graduates in the Labor Market

The proposal documents, and Board staff confirmed, the U.S. Bureau of Labor Statistics report that economic projections point to a need for approximately 1 million more STEM professionals than the U.S. will produce at the current rate over the next decade if the country is to retain its historical preeminence in science and technology (p. 5).

A search of Intelligent Systems and Robotics on the U.S. Bureau of Labor Statistics website, returns employment data for closely related occupations as described in Table 1. The table also includes data for postsecondary teachers.

Table 1. U.S. Job Projections 2016 - 2026

	% Change	Number of Job Openings	Median Salary	Entry-Level Education
Computer and Information Research Scientists	19%	27,900	\$114,520	Master's
Computer Hardware Engineers	5%	73,600	\$115,120	Bachelor's
Mechanical Engineers	9%	288,800	\$85,800	Bachelor's
Software Developers	24%	1,256,200	\$103,560	Bachelor's
Architectural and Engineering Managers	6%	180,100	\$137,720	Bachelor's
Computer Science Postsecondary Teachers (O*Net)	5-9%	3,400	\$78,630	Master's or Higher

Sources: National Center for Education Statistics CIP 2010 to SOC 2010
<https://nces.ed.gov/ipeds/cipcode/resources.aspx?y=55151>

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Occupational Outlook Handbook, Bureau of Labor Statistics <https://www.bls.gov/ooh/>
 O*Net OnLine <https://www.onetonline.org/link/summary/25-1021.00>

The Florida Department of Economic Opportunity projects statewide employment growth of 6.9% to 19.4% from 2017-2025 for careers related to intelligent systems and robotics. The specific data are reflected in Table 2.

Table 2. Florida Job Projections 2017 - 2025

	% Change	Number of Job Openings	Median Hourly Wage	BLS Entry-Level Education
Computer and Information Research Scientists	6.9%	295	\$45.61	Master's
Computer Hardware Engineers	8.9%	1,334	\$45.58	Bachelor's
Mechanical Engineers	12.6%	5,147	\$41.22	Bachelor's
Software Developers, Applications	19.4%	26,204	\$41.79	Bachelor's
Software Developers, Systems Software	16.1%	11,442	\$47.22	Bachelor's
Architectural and Engineering Managers	12.2%	4,609	\$60.54	Bachelor's
Computer Science Postsecondary Teachers	12.7%	1,763	\$43.88	Master's or Higher

Source: Employment Projections, Florida Department of Economic Opportunity
<http://www.floridajobs.org/labor-market-information/data-center/statistical-programs/employment-projections>

Occupational Outlook Handbook, Bureau of Labor Statistics <https://www.bls.gov/ooh/>

Board staff conducted a search for jobs requiring a Ph.D. in Intelligent Systems and Robotics on August 28, 2018. An earned Ph.D. was a required or preferred qualification for positions listed with Amazon, Google, IBM, and Microsoft, as well as faculty positions, confirming opportunities listed in the proposal.

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Student Demand for the Program

The University of West Florida surveyed students (n=149) currently enrolled in degree programs in the departments of Electrical and Computer Engineering, Mechanical Engineering, and Computer Science to determine interest in the proposed program. Per the proposal, 65.8% expressed interest in a Ph.D. in Intelligent Systems and Robotics (p. 11).

At the present time, only three universities in the United States offer a Ph.D. program in artificial intelligence (CIP 11.0102): Carnegie Mellon University, the University of Pittsburgh, and Georgia Institute of Technology. Within the State University System of Florida, this would be the first program offered with CIP code 11.0102. While no other program is offered, the enrollment and degrees awarded for a similar CIP (11.0101, Computer and Information Sciences, General) are included below.

Table 3. Enrollments in Ph.D. in Computer and Information Sciences, General (CIP 11.0101)

	2013	2014	2015	2016	2017
FAU	33	33	35	39	40
FIU	79	68	65	74	71
FSU	26	58	56	62	71
UCF	113	125	140	154	168
UF	-	-	1	54	64

Source: Florida Board of Governors, Enrollment by CIP, retrieved August 28, 2018

Table 4. Degrees Awarded in Ph.D. in Computer and Information Sciences, General (CIP 11.0101)

	11-12	12-13	13-14	14-15	15-16
FAU	2	2	3	2	4
FIU	5	8	11	15	8
FSU	7	8	7	9	6
UCF	16	11	6	13	9
UF	-	-	-	-	7

Source: Florida Board of Governors, Degree by CIP, retrieved August 28, 2018

The projected headcount enrollment is 7 for the first year and 35 by year 5. The primary source of students for the program are individuals from agencies/industries in the service area of the university. Other sources of students indicated include individuals who graduated from other degree programs at the University of West Florida and other Florida public universities, additional in-state residents, additional out-of-state residents, and additional foreign residents.

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External Consultant's Report

Dr. Ronald Arkin, Regents' Professor and Director of Mobile Robot Laboratory, College of Computing at Georgia Institute of Technology, reviewed the University of West Florida's proposal and provided recommendations. Based on Dr. Arkin's recommendations, an affiliation agreement between UWF and IHMC was established and formalized with documentation provided in Appendix E. Dr. Arkin recommended "hammering out" the specific details of the structure of the program which was accomplished with the review and approval of the curriculum through all stages of the internal curriculum coordination review process (p. 3). In addition, during the first year of the Intelligent Systems and Robotics degree program, the director and IHMC will form an industry advisory council to provide guidance and insight in the program and a direct link between the program and local and regional industries (p. 29). Based on Dr. Arkin's recommendations, the Department of Intelligent Systems and Robotics was created (p. 3), and students may enter the program with an approved master's degree and without an approved master's degree (p. 4 and p. 24).

Summary

The University of West Florida is proposing to develop a Ph.D. in Intelligent Systems and Robotics. This will be the first degree program with CIP 11.0102 in the State University System which would allow students to pursue this degree opportunity at a public university. The program will be an affiliation between the University of West Florida and the Florida Institute for Human and Machine Cognition (IHMC) which will provide students the opportunity to gain expertise and hands-on, leading edge research in intelligent systems and robotics. This program may enhance UWF's competitiveness for students in an area of strategic priority. There is ample evidence provided regarding the national and state needs in the labor market for graduates of the proposed program to fill faculty and industry positions.

C. Assessment of the University Review Process in accordance with BOG Regulation 8.011:

Due to the system of stair step accountability set in place by the Board of Governors in Regulation 8.011, it is now incumbent upon University Board of Trustees to verify that all doctoral programs coming before the Board of Governors have met the requirements of the regulation. The following is an assessment of the university review process to ensure that all criteria set forth have been considered by the university prior to submission to the Board of Governors office.

ACCOUNTABILITY

Check 'yes' or 'no' box, and make comments beneath criterion as appropriate.

- 1. Overall** – *The proposal is in the correct format, includes all necessary signatures, and contains complete and accurate tables for enrollment projections, faculty effort, and the proposed budget.*

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YES NO

- ☒ ☐ **The proposal has been approved by the university board of trustees and includes all required signatures.**

The proposed program was approved by the University of West Florida Board of Trustees on June 5, 2018.

- ☒ ☐ **The university has provided a proposal written in the standard SUS format which addresses new academic program approval criteria outlined in BOG Regulation 8.011.**

The academic program proposal was written in the standard SUS format and in accordance with the criteria set forth in Board Regulation 8.011.

- ☒ ☐ **The pre-proposal was reviewed by the Council of Academic Vice Presidents (CAVP) workgroup and any concerns identified by the group have been listed and addressed in the proposal.**

The pre-proposal was presented to the CAVP on September 25, 2015. As written in the proposal, there was no formal concern raised.

- ☒ ☐ **The university has provided data that supports the need for an additional program in the State University System as well as letters of support or concern from the provosts of other state universities with substantially similar programs.**

The proposed degree program will be the only program in the State University System with CIP Code 11.0102. The University of West Florida has provided data that supports the need and demand for a Ph.D. in the State University System.

- ☒ ☐ **The university has provided complete and accurate projected enrollment, faculty effort, and budget tables that are in alignment with each other.**

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- ☒ ☐ **The university has included a statement in the proposal signed by the equity officer as to how this proposal will meet the goals of the university's equity accountability plan.**

University of West Florida's Equal Opportunity Officer reviewed and signed the proposal on May 8, 2018.

- ☒ ☐ **The program does not substantially duplicate programs at FAMU or FIU or, if it does, evidence was provided that consultations have occurred with the affected university on the impact of the new program on existing programs.**

FAMU and FIU do not offer a program under CIP 11.0102 at any level and there were no concerns expressed by the institution representatives at the CAVP meeting on September 25, 2015.

2. Budget – *The proposal presents a complete and realistic budget for the program consistent with university and BOG policy, and shows that any redirection of funding will not have an unjustified negative impact on other needed programs.*

YES NO

- ☒ ☐ **The University Board of Trustees has approved the most recent budget for this proposal.**

The current budget was approved by the University Board of Trustees on June 5, 2018.

- ☒ ☐ **The university has reviewed the budget for the program to ensure that it is complete and reasonable, and the budget appears in alignment with expenditures by similar programs at other SUS institutions.**

The proposal describes the faculty effort as measured in Person Years increasing proportionately from 1.73 in year 1 to 3.23 in year 5. The projected E& G cost per FTE in year 1 is \$81,564 and in year 5 is \$33,762. The costs for the program seem to be higher than the calculated average cost per FTE of \$16,765.92 for CIP 11 as provided in the 2016-17 expenditure analysis report. However, the range of costs associated with the average E&G cost per FTE can vary considerably by university due to factors related to enrollment scale and diversity of programs in CIP 11.

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- ☒ ☐ **The proposal indicates that the program will follow the cost-recovery or market-rate funding models. If so, details and timelines for getting approvals for these funding models are included in the proposal.**

The University will not offer the program on a cost-recovery basis and will not seek approval for market rate tuition.

- ☒ ☐ **In the event that resources within the institution are redirected to support the new program, the university has identified this redirection and determined that it will not have a negative impact on undergraduate education, or the university has provided a reasonable explanation for any impact of this redirection.**

The proposal indicates that the implementation of the Ph.D. in Intelligent Systems and Robotics will have no negative impact on other existing programs or services.

READINESS

Check 'yes' or 'no' box, and make comments beneath criterion as appropriate.

3. Program Quality – *The proposal provides evidence that the university planning activities have been sufficient and responses to any recommendations to program reviews or accreditation activities in the discipline pertinent to the proposed program have been addressed.*

YES NO

- ☒ ☐ **The university has followed a collaborative planning process for the proposed program in accordance with policies and procedures adopted by the University Board of Trustees.**

The proposal describes a collaborative planning process involving UWF faculty and administrators, IHMC, and an external reviewer. A chronological table outlining the collaborative planning process is included in the proposal (p. 20).

- ☒ ☐ **An external consultant has reviewed the proposal and supports the department's capability of successfully implementing this new program.**

Dr. Ronald Arkin, Regents' Professor and Director of Mobile Robot Laboratory, College of Computing at Georgia Institute of Technology, served as the external consultant for the proposed program. A review of the proposal was provided and the consultant noted recommendations for consideration for implementation of the program. The proposal provided UWF's responses and actions to the recommendations (p. 3).

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- ☒ ☐ **The university has found the level of progress that the department has made in implementing the recommendations from program reviews or accreditation activities in the discipline pertinent to the proposed program to be satisfactory.**

Per the proposal, the Department of Computer Science conducted its program review in 2013-14. The program review committee recommended the department pursue disciplinary accreditation. The Bachelor of Science in Computer Engineering and the Bachelor of Science in Electrical Engineering are both accredited by the Accreditation Board for Engineering and Technology (ABET). ABET does not accredit doctoral programs.

- ☐ ☒ **The university has analyzed the feasibility of providing all or a portion of the proposed program through distance learning.**

Per the proposal, the program will be offered in traditional face-to-face format at the UWF main campus. The affiliation agreement with IHMC offers hands-on research opportunities for the students at the Pensacola facility.

- ☐ ☐ **If necessary, the university has made allowances for licensure and legislative approval to be obtained in a timely manner.**

N/A

4. Curriculum – *The proposal provides evidence that the university has evaluated the proposed curriculum and found that it describes an appropriate and sequenced course of study, and that the university has evaluated the appropriateness of specialized accreditation for the program.*

YES NO

- ☒ ☐ **The university has reviewed the curriculum and found that the course of study presented is appropriate to meet specific learning outcomes and industry driven competencies discussed in the proposal.**

The proposal identifies the curricular framework for students who enter the program with an approved master's degree to include 9 semester credit hours of core courses, 9 semester credit hours of specialization courses, and 24 semester credit hours for the dissertation (p. 24).

The proposal also describes the curricular framework for students who enter the program without an approved master's degree. The proposal identifies the 9 semester credit hours of core courses, 9 semester credit hours of

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specialization courses, 30 semester credit hours in specialization or program-approved electives, and 24 semester credit hours for the dissertation (p. 24).

The sequences course of study is provided (pp. 25-26) and well as a description for each course offered (pp. 26-29).

- ☐ ☒ **The university anticipates seeking accreditation for the proposed doctoral program, or provides a reasonable explanation as to why accreditation is not being sought.**

There are no specialized accreditation agencies specific to Intelligent Systems and Robotics. According to the proposal, the program may pursue learned societies including International Symposium on Electronics and the Environment's Computational Intelligence Society and Institute of Electrical and Electronics Engineers' Robotics and Automation Society. The proposal describes specific competencies to be attained including content, critical thinking, communication, integrity/values, and project management.

5. Faculty – *The proposal provides evidence that the university is prepared to ensure a critical mass of faculty will be available to initiate the program based on estimated enrollments, and that faculty in the aggregate have the necessary experience and research activity to sustain a doctoral program.*

YES NO

- ☒ ☐ **The university has reviewed the evidence provided and found that there is a critical mass of faculty available to initiate the program based on estimated enrollments.**

According to Table 4 in Appendix A, 10 faculty members will be affiliated with the program. The existing faculty on a regular line includes four professors, one associate professor, and one assistant professor, and the new faculty to be hired on a new line includes one professor and three associate professors. Two new faculty members will be hired to support the program in Fall 2019, one faculty member will be hired in Fall 2020, and one faculty member will be hired in Fall 2021.

- ☒ ☐ **The university has reviewed the evidence provided and found that the faculty in aggregate has the necessary experience and research activity to sustain the program.**

Table 4 in Appendix A of the proposal identifies the academic disciplines for current and proposed faculty to include Electrical Engineering; Engineering; Curriculum and Instruction for Math, Statistics, and Science; and Computer

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Science. All current faculty have earned a terminal degree with the proposed faculty anticipated to have earned their Ph.D.

According to the proposal, faculty in the Hal Marcus College of Science and Engineering generated close to \$2 million in grant funding from 2016-2018 (p. 32). The faculty are actively conducting research (pp. 35-36), have peer-reviewed publications (pgs. 36-38) and supervise student research (pp. 33-34).

- ☒ ☐ **The university has reviewed the evidence provided and found the academic unit(s) associated with this new degree to be productive in teaching, research, and service.**

According to the proposal narrative on pages 31-39, the faculty who will contribute to the program have been active in teaching, research, and service. The curriculum vitae for existing faculty members were included in the proposal (Appendix G).

- ☒ ☐ **If appropriate, the university has committed to hiring additional faculty in later years, based on estimated enrollments.**

According to Table 4 in Appendix A, a tenured program director will be hired on a new line beginning Fall 2019. Three tenure-earning associate professors will be hired on new faculty lines. The initial dates for participation in the program will include one new hire for Fall 2019, one new hire for Fall 2020, and one new hire for Fall 2021.

6. Resources – *The proposal provides evidence that the university has ensured the available library volumes and serials; classroom, teaching laboratory, research laboratory, office space, equipment, clinical and internship sites, fellowships, scholarships, and graduate assistantships will be sufficient to initiate the program, and that if applicable, funding has been secured to make more resources available as students proceed through the program..*

YES NO

- ☒ ☐ **The university has provided a signed statement from the Library Director verifying that the library volumes and serials available are sufficient to initiate the program.**

The Dean of University Libraries submitted a signed statement dated May 8, 2018 (Appendix B). The proposal includes a listing of resources available to faculty, staff, and students related to intelligent systems. Resources include, but are not limited to, print titles, journals, abstracting and full-text databases, and full-text dissertations. The existing collections have been

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identified as sufficient to implement and sustain this program through year 5 (p. 42).

- ☒ ☐ **The university has ensured that the physical space necessary for the proposed program, including classrooms, laboratories and office space, is sufficient to initiate the program.**

According to the proposal, additional space is not needed to support this program (p. 43).

- ☒ ☐ **The university has ensured that necessary equipment is available to initiate the program.**

According to the proposal, the program will use specialized equipment that is currently available at UWF and IHMC. No additional or specialized equipment is needed for the proposed program (p. 43).

- ☒ ☐ **The university has ensured that fellowships, scholarships, and graduate assistantships are sufficient to initiate the program.**

Endowment and/or foundation funds will be available to award up to five 25,000 assistantships in year 1 and up to 20 assistantships at \$25,000 each in year 5. Students awarded assistantships will provide teaching and/or research assistance.

- ☒ ☐ **If applicable, the university has ensured that the department has arranged a suitable number of clinical and internship sites.**

Per the proposal, IHMC will provide internship opportunities and more opportunities will become available with the establishment of the local industry advisory council in year 1 of the program.

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

Academic and Student Affairs Committee

November 8, 2018

SUBJECT: Limited Access Status for the Bachelor of Science in Biomedical Engineering, CIP 14.0501, University of South Florida

PROPOSED COMMITTEE ACTION

Consider approval of limited access status for the Bachelor of Science in Biomedical Engineering, CIP 14.0501, University of South Florida

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 8.013

BACKGROUND INFORMATION

The University of South Florida (USF) is requesting limited access status for the Bachelor of Science in Biomedical Engineering. Board of Governors Regulation 8.013 provides that baccalaureate degree programs may be approved as limited access for the following reasons:

- The number of qualified applicants exceed the program's resources and capacity.
- Special skills or talent is required to be successful in the program.
- Higher academic achievement is necessary to be successful in the program.

The limited access status request is based on the limited laboratory space as required for accreditation and the requirement for higher academic achievement in order to be successful in the program. By establishing a minimum GPA of 3.5 overall for prerequisite coursework attempted, students should be able to successfully complete the upper-division coursework.

The USF Board of Trustees approved limited access status for the program on March 12, 2018. If approved by the Board of Governors, USF will implement limited access status for the program in Spring 2019.

Supporting Documentation Included:

Limited Access Request Form

Facilitators/Presenters:

Governor Norman Tripp

APPENDIX C

Board of Governors, State University System of Florida
 Request Form: Limited Access Status for an Academic Program
 In Accordance with BOG Regulations
 6.001 – General Admissions and 8.013 - Limited Access

University:	University of South Florida Tampa	Degree(s) offered:	B.S.
Program:	Biomedical Engineering	Six digit CIP code:	14.0501

1. Will the entire program be limited access or only a specific track?

The entire program will be limited access, including the required BME Specialization and STEM Specialization tracks (student chooses one track).

2. If only one track is limited access, please specify the name of the track.

N/A

3. Please specify:

The total number of new students anticipated to enroll in the program each academic year: 100

The total number of students anticipated to enroll in the program each academic year: 400

4. When do you propose to initiate limited access? (please specify the effective term and year) Spring 2019

5. What is the justification for limiting access?

USF is requesting limited access status for the undergraduate Biomedical Engineering program due to the following reasons:

- 1) limited space, equipment and other instructional facilities, including required laboratories for accreditation; and
- 2) the program is of such nature that in order to demonstrate potential for success in the program, applicants must attain a grade point average of Minimum 3.5 GPA for the BME Major prerequisite courses, listed below in answer to #6.

6. By what means will access be limited? Please provide a description of the program's admissions requirements and procedures. Additionally, please indicate how these requirements and procedures ensure equal access for Florida College System Associate of Arts degree graduates in competing for available space in the program.

Students who enter the University of South Florida as First Time in College (FTIC) identify pre-BME as their major of choice and begin enrolling in the required critical tracking courses to prepare for upper-division coursework. The USF Office of Admissions provides all freshmen admission decisions. (Individual departments have no involvement or influence over freshmen admission decisions). During the fall

semester of the sophomore year, pre-BME majors apply for admission to the upper-division BME major, which begins in the spring semester of the sophomore year. The department admits transfer students during the fall, spring, and summer terms.

Sophomores

Current USF students must meet the following minimum requirements to be considered for admission to the upper-division program.

- Minimum 3.5 GPA for the prerequisite courses, as listed in the table below (best attempt);*
- No more than two attempts allowed for the prerequisite courses listed in the table below (withdrawals included);
- Minimum grade of C in each prerequisite course listed in the table below;
- Completion of the first three semesters of the BME plan of study by the end of the third semester after matriculation to the University;
- Completed BME departmental online application.

*Only the best attempt in each prerequisite course as listed below, is considered for admission into the BME program.

Transfers

Transfer students must meet the following minimum requirements to be considered for admission into the BME program.

- Minimum 2.0 cumulative (overall) GPA;
- Minimum 3.5 GPA in the prerequisite courses listed below;
- Minimum grade of C in each prerequisite course listed in the table below;
- No more than two attempts allowed for the prerequisite courses listed in the table below (withdrawals included);
- Completed BME departmental online application.

Applicants who do not meet the minimum admission requirements as stated above will not be eligible for admission into the BME program.

Transfer applications are referred to the department only after the USF Office of Admissions (including official transcripts) considers them complete. Applications are reviewed periodically and not on a rolling basis. The date of review may vary depending on the number of applications received.

Transfer applicants coming from out-of-state or private Florida institutions will be considered on a space available basis only.

USF Course Prefix	USF Course Name
MAC 2311	Calculus I
MAC 2312	Calculus II
MAC 2313	Calculus III
MAP 2302	Differential Equations
CHM 2045	General Chemistry I
CHM 2045L	General Chemistry I Laboratory
CHM 2046	General Chemistry II
CHM 2046L	General Chemistry II

	Laboratory
PHY 2048	General Physics I - Calculus Based
PHY 2048L	General Physics I Laboratory
PHY 2049	General Physics II - Calculus Based
PHY 2049L	General Physics II Laboratory
CHM 2210	Organic Chemistry I
CHM 2210L	Organic Chemistry I Lab

7. Present the current race and gender profiles of the students in the program. Discuss the impact of the proposed action on the race and gender profiles and cite sources used to inform the discussion. What strategies, should they be necessary, will be used to promote diversity in the program?

The program is new, so there is no current race and gender profile.

Biomedical Engineering is one of the top two most popular engineering majors for women, so we anticipate attracting female applicants in proportions at or exceeding the other engineering majors (<https://www.asee.org/papers-and-publications/publications/collegeprofiles/15EngineeringbytheNumbersPart1.pdf> Page 12). Also, USF is notably ranked #8 in the US, for all universities awarding doctorate degrees in engineering, for percentage of women graduates (35.1%); which bodes well for attracting women for our new undergraduate BME program

(<https://www.asee.org/papers-and-publications/publications/college-profiles/15EngineeringbytheNumbersPart1.pdf>

Page 23). Underrepresented ethnic groups are highly underrepresented in STEM fields such as engineering

(<https://www.asee.org/papersandpublications/publications/college-profiles/15EngineeringbytheNumbersPart1.pdf>

Page 13); however, the USF College of Engineering has relatively high numbers compared to many other colleges of engineering nationally. USF is one of the national leaders in awarding graduate degrees in Engineering to Black students, as cited in *Diverse Issues in Higher Education*, Top 100 Producers of Graduate Degrees, 2017 – African American Engineering Research Doctorates (USF ranked #12 in the US) (<http://diverseeducation.com/top100/pages/GraduateDegreeProducers2017.php?dtsearch=&dtdegree=Doctorate\Res\Schol,%20Other&dtrace=African%20American&dtmajor=Engineering&dtstate=&dtpage=1>) and Hispanic students, as cited in: *Diverse Issues In Higher Education*, Top 100 Producers of Graduate Degrees, 2017 – Hispanic Engineering Research Doctorates (USF ranked #2 in the US) (<http://diverseeducation.com/top100/pages/GraduateDegreeProducers2017.php?dtsearch=&dtdegree=&dtrace=Hispanic&dtmajor=Engineering&dtstate=&dtpage=0>). News release citation: <http://news.usf.edu/article/templates/?a=3576>.

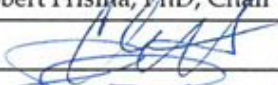


Consequently, we expect that our new degree program in Biomedical Engineering will have a similar favorable mix of underrepresented minorities, building upon the successes of the USF College of Engineering in related majors such as Chemical, Electrical, Mechanical, Industrial and Civil Engineering. In addition, the intellectual and professional environment in the USF College of Engineering is very favorable for underrepresented minorities in support of our new undergraduate BME Major; specifically, the USF College of Engineering is ranked in the top 20 in the US for all

colleges of engineering for the number of Hispanic Professors with Tenure/Tenure Track (<https://www.asee.org/papers-andpublications/publications/collegeprofiles/15EngineeringbytheNumbersPart1.pdf> Page 33).

In addition, The College of Engineering continues to be committed to engaging underrepresented and minority high school students into engineering programs. The College engages routinely with teachers, students and parents in Title I schools to attract students from diverse racial and ethnic and socio-economic backgrounds. This BME major will leverage the College's recruitment and outreach programs such as "Bulls I Mentoring", ESTEAM events, Selmon S3 program and course offerings for high school students with a goal to secure a robust pipeline of diverse student population. Another specific step USF will take to ensure a diverse student body will be working closely with the coordinator of minority student recruitment in the USF College of Engineering. USF will actively recruit applicants from top high schools nationally with excellent underrepresented minority students, including attendance at state and national conferences, and visitations and summer courses at USF, and other successful recruiting techniques for these student populations.

8. Are the graduates of the program in high demand? If so, and if the program is to be limited due to lack of adequate resources, provide a justification for limiting access to the program rather than reallocating resources from programs with low market demand.

Yes, graduates are in high demand (see full data in the accompanying full BME Major Proposal). There are no programs in the USF College of Engineering with low market demand, and these existing programs are currently under-staffed relative to their student enrollments; so no reallocation is possible.

Request Initiated by:	Robert Frisina, PhD; Chair and BME Director
EEO Officer's Signature:	
Provost's Signature:	 3/5/18
University Board of Trustees Approval Date (please include a copy of the UBOT agenda with this form)	 3/12/18

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

Academic and Student Affairs Committee

November 8, 2018

SUBJECT: Exception to 120 credit hours for the Bachelor of Science Biomedical Engineering, CIP 14.0501, Florida Agricultural and Mechanical University-Florida State University, College of Engineering

PROPOSED COMMITTEE ACTION

Consider approval of an exception to 120 credit hours for the Bachelor of Science Biomedical Engineering, CIP 14.0501, Florida Agricultural and Mechanical University-Florida State University, College of Engineering

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 8.014

BACKGROUND INFORMATION

The Florida Agricultural and Mechanical University (FAMU) and Florida State University (FSU) College of Engineering seek an exception to the 120 credit hours baccalaureate degree requirement for the Bachelor of Science in Biomedical Engineering in order to accommodate curriculum requirements based on accreditation standards set by the Accreditation Board for Engineering and Technology, Inc. (ABET). The program encompasses three majors: Cell and Bioprocess Engineering, Biomaterials and Polymers Engineering, and Imaging and Signal Processing Engineering. The proposal seeks an exemption to allow all three majors within the program to be set at 131 credit hours. The proposed degree program had existed as a major within the current Bachelor of Science in Chemical Engineering, which also received approval for 131 credit hours. The requested program length is consistent with program lengths at other State University System institutions offering similar programs.

The FSU Board of Trustees approved the exception on February 23, 2018, and the FAMU Board of Trustees approved the request on June 7, 2018. The exemption will become effective upon approval by the Board of Governors.

Supporting Documentation Included: Request for exception to 120 credit hours

Facilitators/Presenters: Governor Norman Tripp

Board of Governors, State University System of Florida
**EXCEPTION TO THE 120 CREDIT HOURS REQUIREMENT FOR
 BACCALAUREATE PROGRAMS
 REQUEST FORM**

In Accordance with BOG Regulation 8.014

UNIVERSITY: Florida A&M University and Florida State University

PROGRAM NAME: Biomedical Engineering

CIP CODE: 14.0501 **EFFECTIVE TERM:** Spring 2019
 (Classification of Instructional Programs)

Please use this form to request an exception to the 120 credit hours requirement for a new or existing program.

To request changes to the number of credit hours for a program that is already approved for an exception to the 120 credit hours please send a memorandum signed by the provost to the BOG Academic and Student Affairs staff.

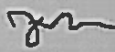
- List all the majors associated with this program and the desired program length for each one of them. Please see the definition of program major in Regulation 8.011, New Academic Program Authorization.**

Major Name (add rows as needed)	Current number of credit hours	Requested number of credit hours
Cell and Bioprocess Engineering		131
Biomaterials and Polymers Engineering		131
Imaging and Signal Processing Engineering		131

- Provide a narrative on why a new exception to 120 credit hours is needed for the major(s) indicated above?**

Florida A&M University and Florida State University are seeking an exception to offer the proposed Bachelor of Science in Biomedical Engineering degree at 131 credit hours to accommodate the curriculum needed for the discipline and meet accreditation requirements for engineering programs set by the Accreditation Board for Engineering and Technology, Inc. (ABET). The proposed degree existed as a major within the currently approved BS Chemical Engineering, which had been approved at 131CH, offered by the FAMU-FSU College of Engineering. The new stand-alone degree is seeking to maintain consistency by offering the same number of credit hours, which are essential to obtain the necessary knowledge and skills to practice in the discipline and to also meet accreditation requirements. The program requirements are consistent with other programs within the State University System (SUS) and fall within the range of 129 - 132 credit hours. The request to exceed 120 CH was included as a part of the BS-BME proposal approved by FSU Board of Trustees on February 23, 2018 and FAMU's Board of Trustees on June 7, 2018.

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Signature of Requestor/Initiator

7/23/2018

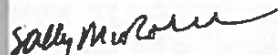
Date

Sandra D. Kasey

7/20/2018

Signature of Requestor/Initiator

Date



8/16/2018

Signature of President or Vice President for Academic Affairs

Date

Rodner B. Wright

7/20/2018

Signature of President or Vice President for Academic Affairs

Date

February 23, 2018

June 7, 2018

Date Approved by the Board of Trustees

Date Approved by the Board of Trustees



Signature of the Chair of the Board of Trustees

8/9/18

Date



Signature of the Chair of the Board of Trustees

8/17/18

Date

References:

- BOG Regulation 8.014, Bachelors' Degree Exceptions to 120 credit Hours Requirement
- Policy Document: Administrative Process for Requesting Changes to Program Length for Baccalaureate Programs Approved to Exceed 120 Credit Hours

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Academic and Student Affairs Committee
November 8, 2018**

SUBJECT: State University System Council of Academic Vice Presidents

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Dr. Sallie McRorie, Chair of the State University System Council of Academic Vice Presidents, will provide an update on current Council activities and issues.

Supporting Documentation Included: None

Facilitators/Presenters: Dr. Sallie McRorie

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Academic and Student Affairs Committee
November 8, 2018**

SUBJECT: Update from the State University System Council for Student Affairs

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Dr. Corey King, Chair of the State University System Council for Student Affairs, will provide an update on recent activities of the Council.

Supporting Documentation Included:	None
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Facilitators/Presenters:	Dr. Corey King
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**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Academic and Student Affairs Committee
November 8, 2018**

SUBJECT: Update on Activities of the Florida Student Association

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Governor Jalisa White, Chair of the Florida Student Association, will update the Committee on recent Association activities.

Supporting Documentation Included:	None
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Facilitators / Presenters:	Governor Jalisa White
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STATE
UNIVERSITY
SYSTEM
of FLORIDA
Board of Governors

AGENDA
Strategic Planning Committee
Live Oak Pavilion
Student Union
Florida Atlantic University
777 Glades Road
Boca Raton, Florida 33431
November 8, 2018
1:15 p.m. – 2:15 p.m.

or
Upon Adjournment of Previous Meetings

Chair: Ms. Darlene Jordan; Vice Chair: Mr. Edward Morton
Members: Cerio, Felton, Frost, Huizenga, Levine, Link, Salerno, Zachariah

- 1. Call to Order and Opening Remarks** **Governor Darlene Jordan**
- 2. Minutes of Committee Meeting** **Governor Jordan**
Minutes, September 13, 2018
- 3. New College of Florida 2018-28 Strategic Plan** **Dr. Donal O'Shea**
President, New College of Florida
- 4. Florida Atlantic University 2015-25 Strategic Plan** **Dr. John Kelly**
President, Florida Atlantic University
- 5. Florida Atlantic University "FAU100"** **Dr. Kelly**
Legislative Budget Request
- 6. Concluding Remarks and Adjournment** **Governor Jordan**

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Strategic Planning Committee
November 8, 2018**

SUBJECT: Minutes of Committee Meeting held September 13, 2018

PROPOSED COMMITTEE ACTION

Consider approval of the minutes of the Strategic Planning Committee meeting held September 13, 2018 at New College of Florida

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Committee members will review and consider approval of the minutes of the meeting held on September 13, 2018 at New College of Florida.

Supporting Documentation Included:	Minutes, September 13, 2018
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Facilitators/Presenters:	Governor Darlene Jordan
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MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
STRATEGIC PLANNING COMMITTEE
NEW COLLEGE OF FLORIDA
SARASOTA, FLORIDA
SEPTEMBER 13, 2018

*Video or audio archives of the meetings of the Board of Governors
and its committees are accessible at <http://www.flbog.edu/>.*

1. Call to Order

Chair Darlene Jordan convened the Strategic Planning Committee meeting at 11:48 a.m. on September 13, 2018 with the following members present: Governors Cerio, Felton, Frost (by phone), Huizenga, Levine, Link, Morton, and Salerno. A quorum was established.

2. Minutes of June 26-27, 2018 Committee Meeting

Chair Jordan called for a motion to approve the minutes of the June 26-27, 2018 Committee meeting. Governor Huizenga moved to approve the minutes, Governor Morton seconded the motion, and the motion carried unanimously.

3. University of South Florida Consolidation Update

Chair Jordan informed members that the Committee's next item was to receive a status report from the University of South Florida (USF) with regard to campus consolidation efforts. She reminded Committee members that USF is required by statute to phase out separate accreditation by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) for the USF St. Petersburg and Sarasota-Manatee campuses. She said that a USF taskforce is required by statute to submit a report and recommendations to the University's Board of Trustees for approval and then forward an approved report to the Board of Governors by March 15, 2019. Chair Jordan introduced Dr. Jonathan Ellen, Chair of the Consolidation Planning Study and Implementation Taskforce, and Mr. Hal Mullis, a member of the USF Board of Trustees, to provide the Committee with a status report.

Mr. Mullis thanked the Chancellor and the Board for the opportunity to present a status update on the USF consolidation. He provided a review of the July 1, 2020 legislatively mandated deadline for consolidation, noting that there could be no lapse in institutional accreditation on any of the campuses, no impediments to a student graduating within

four years, and no loss of USF's recently acquired Preeminent State Research University status. He reminded the Committee that the consolidation must be accomplished through a process in strict compliance with SACSCOC requirements.

Mr. Mullis said that two working groups have been established to assist in implementing a unified consolidation, the first of which is a taskforce chaired by Dr. Ellen, and the second of which is an Internal Consolidation Implementation Committee. He indicated that the working groups operate from a shared set of guiding principles adopted by the USF Board of Trustees and that the activities of the two groups are necessarily coordinated and interactive.

Mr. Mullis said that it was immediately apparent to USF that the work associated with consolidation and accreditation involved complex and sensitive issues. He said that expertise was needed and therefore the USF Board of Trustees authorized the engagement of the Heron Consulting Group to assist and advise USF. Mr. Mullis said that Heron is experienced in accreditation consolidation and that its team has been actively and effectively involved and reports regularly to the USF Board.

Mr. Mullis noted that he chairs the USF Accreditation, Consolidation, and Pre-Eminence Committee comprised of 79 USF faculty, staff, and students representing all three campuses. He said that the Committee has had over 30 meetings, creating six subcommittees, each focused on a discrete segment of the process: business and finance, external affairs, faculty affairs, general education and curriculum alignment, research, and student success. He said that at the end of the Committee's work it will make recommendations for steps necessary to successfully achieve consolidation.

Mr. Mullis said that the Taskforce will present a final report to the USF Board of Trustees on February 15, 2019 and that the Board is then required to present its implementation plan to the Board of Governors on March 15, 2019. Mr. Mullis then introduced Dr. Ellen to make remarks

Dr. Ellen noted the complexity of the work to be done and how seriously it is being taken by USF. He said that challenges included ensuring that the benefits of preeminence are equal across all campuses, ensuring that all campuses are represented when resources are distributed, and focusing on academic and research programs spanning all three campuses. At the conclusion of his remarks Dr. Ellen invited questions from the Committee. Chair Jordan thanked Dr. Ellen for his comments and congratulated USF on the holistic approach it is taking to achieving consolidation. Several Committee members commended USF for its efforts.

4. Public Notice of Intent to Amend Regulation 2.002 University Work Plans and Annual Reports

Governor Jordan said that the next item on the Committee's agenda was to consider approval of the Public Notice of Intent to Amend Regulation 2.002 University Work Plans and Annual Reports. She called on Acting Vice Chancellor England to explain the Public Notice of Intent to Amend.

Dr. England reminded the Committee that on January 24, 2018, it determined that the retrospective data in the Board's Annual Accountability Report and the prospective data in Annual University Work Plans would be more effectively analyzed if they were available in a single document. She said that amending Board Regulation 2.002 University Work Plans and Annual Reports comports with this change.

Dr. England said that the Intent to Amend had been reviewed by appropriate offices at all universities and that if approved by the Committee and the full Board of Governors, the Intent to Amend will be available for public comment for thirty days. She said that if no concerns are raised, the Regulation would come before the Board of Governors for final approval.

Governor Jordan asked Committee members if there were any questions or comments. There being none Governor Levine moved to approve the Public Notice of Intent to Amend Regulation 2.002 University Work Plans and Annual Reports, Governor Huizenga seconded the motion, and the motion carried unanimously.

5. 2018 University Plans: System Summary

Governor Jordan said that the next item on the Committee's agenda was to receive a System overview of the 2018 University Accountability Plans. She reminded the Committee that at its June 2018 meeting the Strategic Planning Committee considered for approval 2018 university Accountability Plans. She noted that all 12 Plans were approved by the Committee and by the Board of Governors. Chair Jordan said that Board staff will present a System-wide summary of the data provided by the individual institutions in June. She said that the summary would inform the work to be done over the course of the next year to determine whether the System is on-course for meeting Board of Governors 2025 Strategic Plan goals. She then called on Acting Vice Chancellor England to provide the System Summary.

Dr. England said that the data she would present was aggregated from the 12 university Accountability Plans approved in June and that it would provide summary highlights as well as the likelihood that the System will meet its 2025 Strategic Plan goals. She began by noting four of the most important findings: retention and graduation rates continue to improve, enrollment and degree growth is slowing, research activity is growing but that more external funding is needed, and excess hour rates are improving.

Acting Vice Chancellor England began with academic progress rates – the percentage of full-time first-time-in-college (FTIC) students who were retained anywhere in the System the following fall term with at least a 2.0 grade point average. She said that System rates have increased 5% over the last five years and are expected to continue to climb 1% annually for the next four years. Dr. England said that this indicated that the SUS is on pace to reach the 2025 Strategic Plan goal by the 2018-19 cohort.

Turning to FTIC graduation rates Acting Vice Chancellor England indicated that System rates have increased 5% over the last five years, the equivalent of an additional 1,870 graduates annually and that this rate is expected to climb 2% annually for the next four years. She said that the SUS was on pace to reach the Strategic Plan goal by the 2015-19 cohort. Dr. England noted that this rapid rise reflects the universities' hard work in helping students persist and complete in a timely fashion.

Acting Vice Chancellor England next presented data with regard to undergraduate full-time-equivalent (FTE) online enrollment. Dr. England said that the System was on pace to reach its 2025 Strategic Plan goal. She noted that progress has been due to changes in technology and to the hard work of the Board's Innovation and Online Committee.

Turning to baccalaureate degrees awarded, Dr. England indicated that based on the most recent five-year historical trend the System will produce about 75,000 degrees by 2025, about 15,000 short of the 90,000 goal. Similarly, Dr. England said that based on the most recent five-year historical trend the System will produce about 26,700 degrees by 2025, approximately 8,300 short of the 35,000 goal.

Acting Vice Chancellor England then provided information with regard to the trend of students who earn bachelor's degrees without accruing excess hours. She said that fewer students are graduating with excess hours, and the System is on pace to reach its 2025 target of 80% well before 2025.

Dr. England then turned to the subject of Programs of Strategic Emphasis. She said that to promote the alignment of graduates and the economic development and workforce needs of Florida, the Board maintains a list of five key areas identified as Programs of Strategic Emphasis: STEM, Health, Education, Global, and Gap Analysis. Dr. England indicated that the list was last revised in November 2013. She said it was important to note that although the SUS was not on-pace to award as many bachelor's and master's degrees as projected in the 2025 Strategic Plan, the System had surpassed the Strategic Plan's 2025 goals with respect to Programs of Strategic Emphasis.

Acting Vice Chancellor England then addressed the average cost to the student for a bachelor's degree. She said that in 2015-16 the average cost dropped to \$14,840 and the trend shows that costs are expected to drop below \$14,000 by 2020. Dr. England noted

that this was a very different story from national media headlines, and that it was important that Florida's students and their parents have this information when choosing a university.

Acting Vice Chancellor England's next topic was research and development (R&D) expenditures. She said that in 2016-17 the System spent \$2.2 billion on R&D, an increase of \$87million over the prior year. Dr. England noted that, based on the 2018 Accountability Plans, the System will reach the Board's 2025 \$2.29 billion goal by 2018-19. She said, however, that only 54% of R&D funding came from external sources in FY 2016-17, that the 2025 goal is 71%, and that it doesn't appear that the goal will be met.

Acting Vice Chancellor England concluded the System Summary by showing the upward trends for undergraduate headcount enrollments. She said that the System total has increased 6% over the last four years and is expected to grow another 5% over the next four years. Dr. England noted that a university's continual growth often leads to questions about the balance between quality and growth. She suggested that a decline in quality can be ascertained by reviewing performance metrics found in the Accountability Plans because they equate to quality indicators. Dr. England said, for example, that quality institutions admit the best students they can and make sure that they are retained, that they graduate in a timely fashion, and that they pass licensure exams. She said, further, that achieving national rankings and increasing research funding from external sources are hallmarks of quality institutions.

Acting Vice Chancellor England indicated that the System Summary provided an introduction to the Strategic Planning Committee's next major project: the Strategic Plan Mid-course Correction. She said that she would explain to the Committee the Mid-course Correction's history, the work that the Mid-course Correction will entail, why the Mid-course Correction is necessary, and the expected results.

Dr. England reminded the Committee that the Board created its Strategic Plan in 2012 and that the Plan contains specific numerical goals to be met by 2025. Progress, she said, is captured in the Accountability Plans considered for approval every June. She said that as a living document, the Plan was revised in 2014-15 to reflect the addition of performance-based funding goals and because new data available suggested that targets needed to be revised. Dr. England indicated that the Plan was revised again in 2016 as a result of the Innovation and Online Committee's work.

Acting Vice Chancellor England said that the Mid-course Correction is a three-step process. First, the Strategic Plan's goals are reviewed; secondly, potential revisions are identified; and thirdly, if changes are warranted, the Plan is revised and formally amended.

Acting Vice Chancellor England pointed out the importance of keeping in mind that the Strategic Plan's foundation is based on three broad goal areas: teaching and learning; scholarship, research, and innovation; and community and business engagement. She said that each of the Plan's 28 goals is connected to one of these three broad goal areas.

Dr. England provided reasons why revisions might need to be made. These include: new data on performance trends might be available, new Board priorities, new workforce data, or changes in levels of federal funding available for research.

Acting Vice Chancellor England indicated that the Mid-course Correction will begin in November 2018 and should be concluded by the summer of 2019, including a revision to the Board's Programs of Strategic Emphasis. She said that the Mid-course Correction will be considered in "chunks," allowing the Committee to consider revisions along the way.

6. Concluding Remarks and Adjournment

There being no further business to come before the Committee the meeting was adjourned at 11:34 a.m.

Darlene Jordan, Chair
Strategic Planning Committee

R.E. LeMon, Ph.D.
Associate Vice Chancellor
for Academic and Student Affairs

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Strategic Planning Committee
November 8, 2018**

SUBJECT: New College of Florida 2018-28 Strategic Plan

PROPOSED COMMITTEE ACTION

Consider approval of the New College of Florida 2018-28 Strategic Plan

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 1.001(3)(c)

BACKGROUND INFORMATION

Board of Governors Regulation 1.001(3)(c) requires that each University Board of Trustees adopt a strategic plan in alignment with its mission and the Board of Governors' 2025 System Strategic Plan. University strategic plans are required to be submitted to the Board of Governors for approval. The New College of Florida 2018-28 Strategic Plan has been submitted for consideration to approve. If approved by the Strategic Planning Committee, the New College of Florida 2018-28 Strategic Plan will be forwarded to the full Board of Governors for consideration.

Dr. Donal O'Shea, President of New College of Florida, will provide an overview of the plan.

Supporting Documentation Included:

New College of Florida 2018-28 Strategic Plan

Presenter:

Dr. Donal O'Shea

CULTIVATING CURIOSITY. UNLEASHING POTENTIAL.

The Strategic Plan for New College of Florida
(2018-2028)



New College
THE HONORS COLLEGE of Florida

Approved by the New College of Florida Board of Trustees on October 20, 2018

CULTIVATING CURIOSITY. UNLEASHING POTENTIAL. The Plan for New College of Florida 2018-28

Why do we exist?

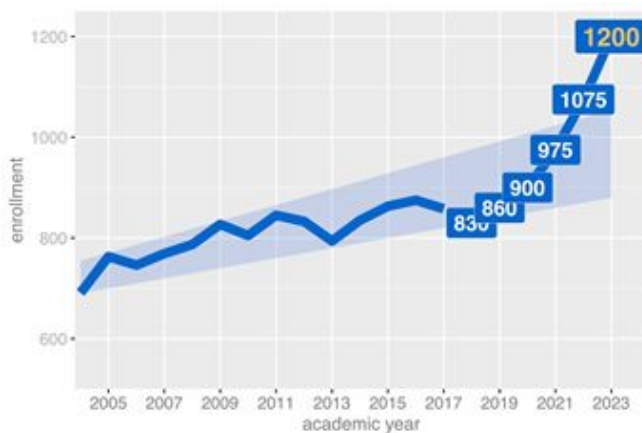
New College of Florida prepares intellectually curious students for lives of great achievement.

Where are we headed?

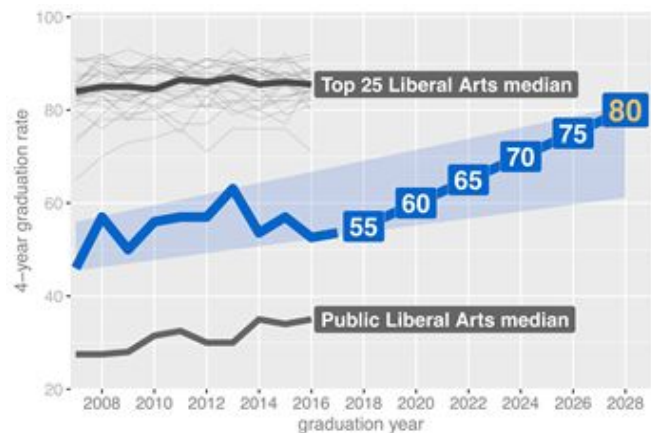
New College will be recognized among the top 20 liberal arts colleges in the nation, public or private.

What will we achieve?

1200 students by 2023-24



80% four-year graduation rate by 2027-28



How will we do it?

1. **Recruit more students who will thrive at New College**
 - a. Tell the New College story
 - b. Target intellectually curious, high-ability students
 - c. Enroll students who reflect Florida's racial and economic diversity
2. **Keep them here four years**
 - a. Make campus a place where students want to be
 - b. Immerse students in curricula that inspires
 - c. Work with each student to knit together a superlative education
3. **Make their degree more valuable**
 - a. Build pathways for academic and career success
 - b. Make Sarasota an educational destination
 - c. Intensify links with alumni and communities

Which work will we not do?

We will not promote silos.
We will not duplicate when we can collaborate.

Cultivating Curiosity. Unleashing Potential.

About the Plan

In 2016, the BOG and the state of Florida invested in New College, pledging to support a multi-year plan to increase the number of students to 1200 and the faculty proportionately to ensure the maintenance of our student to faculty ratio. The ultimate goal of the New College growth plan is to raise our four-year graduation rate to over 80%. With the first fifteen months of the growth plan behind us, and the 60th anniversary of the College's founding approaching in 2020, the time is particularly appropriate to review our progress and to place the College's future plans and aspirations in a larger context. Hence, this strategic plan: *Cultivating Curiosity. Unleashing Potential.*

Since graduating its first class in 1967, New College has provided students an exceptional education. Over eighty percent of New College graduates pursue further studies. New College graduates receive doctoral degrees, such as PhDs, MDs, and JDs, at the highest rate of any public university in the US. Over 12% of New College graduates earn PhDs in mathematics and sciences, a staggering rate exceeded by only eight universities, all private. So high is the percentage, that tiny New College produces a significant proportion of Florida's scientists. This overproduction is mirrored in other areas as well. Over the last two decades, with less than one third of one percent of students in the State University System, New College has produced one fourth of Florida's Fulbright winners.

New College has a four-year graduation rate of 54%, above the 2025 SUS Strategic Plan goal, but considerably lower than the public institutions ahead of us in the U.S. News & World Report ranking of national liberal arts colleges (West Point at 78%, Air Force Academy at 83%, Naval Academy at 89%), let alone the top privates. With the implementation of the growth plan, and during the lifetime of this plan, we will achieve that 80% goal. Our aspirations are higher yet: eventually we want that rate to exceed 90%, which will put us on par with the top twenty national liberal arts colleges, public or private.

This plan outlines in some detail the steps we will take over the next ten years to achieve our eventual goal, with particular emphasis on the first three years. Although, we have framed where we are going in terms of rankings, our ultimate rationale is not to win a rankings war, but to provide our students with a superlative education, while we supply Florida and the nation with more of the talented New College graduates needed to maintain competitive advantage in the global economy.

The Strategic Plan derives from the College's mission and incorporates input from the campus community and Board of Trustees. The senior administration and board set the Why and Where after surveying the community, and the community fleshed out the Whats and Hows. Trustee John Lilly, who chairs our BOT Strategic Planning Committee and is an expert strategic planner, shared the 5Q1P® approach with us, and we are grateful.

About New College

Florida Statute § 1004.32:

New College of Florida with a campus in Sarasota County serves a distinctive mission as the residential liberal arts honors college of the State of Florida. To maintain this mission, New College of Florida has the following goals:

- (a) To provide a quality education to students of high ability who, because of their ability, deserve a program of study that is both demanding and stimulating.
- (b) To engage in educational reform by combining educational innovation with educational excellence.
- (c) To provide programs of study that allow students to design their educational experience as much as possible in accordance with their individual interests, values, and abilities.
- (d) To challenge students not only to master existing bodies of knowledge but also to extend the frontiers of knowledge through original research.

Mission: New College offers a liberal arts education of the highest quality in the context of a small, residential public honors college with a distinctive academic program which develops the student's intellectual and personal potential as fully as possible; encourages the discovery of new knowledge and values while providing opportunities to acquire established knowledge and values; and fosters the individual's effective relationship with society.

(approved by the NCF Board of Trustees on 01/03/2014; Florida Board of Governors on 03/20/14)

Tactics and Lead Measures

1. Recruit more students who will thrive at New College

Tactics	Lead Measures
a. Tell the New College story	
i. Build and market the NCF brand <ul style="list-style-type: none"> - Develop consistent messaging and graphic identity system - Promote NCF brand promise to target audiences 	<ul style="list-style-type: none"> - High school counselor ratings of NCF - % enrolled with NCF as first-choice school
ii. Enhance visibility and name recognition <ul style="list-style-type: none"> - Increase visibility through advertising initiatives and increased service, event, and organization participation - Add externally facing campus signage to enhance the visibility of the physical campus (pedestrian bridge/entrance/border with Ringling) 	<ul style="list-style-type: none"> - Private gift revenue per student - # of inquiries - Admissions yield - Website traffic
iii. Enhance academic reputation <ul style="list-style-type: none"> - Promote curriculum and programs of distinction - Highlight faculty accomplishments - Highlight student and alumni accomplishments 	<ul style="list-style-type: none"> - Academic peer ratings of NCF (reported through U.S. News & World Report rankings)
iv. Communicate the New College experience to prospective students <ul style="list-style-type: none"> - Improve ncf.edu functionality, effectiveness; focus on prospects' needs - Develop a social media strategy to build brand & engage key audiences - Sustain a robust communication with students and families through admissions funnel to reinforce the value of a New College education - Clarify the NCF experience 	<ul style="list-style-type: none"> - Tuition discount rate - Web metrics - sources, bounce rate, conversions - Social media follows, replies - # of applications - Admissions yield
b. Target intellectually curious, high-ability students	
i. Identify characteristics of students most likely to succeed at NCF <ul style="list-style-type: none"> - Implement findings from research on NCF students, applicants, and graduates - Employ predictive models to inform admissions decisions 	<ul style="list-style-type: none"> - # of recommendations implemented - Model predictive accuracy (retention, graduation)
ii. Target high-ability FTIC prospects <ul style="list-style-type: none"> - Target honors societies and high schools with AP (Advanced Placement), AICE (Advanced International Certificate of Education), and IB (International Baccalaureate) courses and programs - Connect top 10% high school students with state's honors college - Target financial aid to high-ability prospects - Increase faculty involvement in recruitment efforts 	<ul style="list-style-type: none"> - Acceptance rate - Average ACT/SAT scores; HSGPA; admit scores - % incoming class from IB, AICE, honors schools - 1st years: avg. incoming credits (AP, dual enroll) - CIRP survey results: academic preparation
iii. Target high-ability transfer students <ul style="list-style-type: none"> - Enhance relationship with SCF (State College of Florida) to encourage transfers - Pursue other schools in college system for partnership opportunities - Develop additional pathways from State College of Florida into NCF programs - Investigate alternative advising models for transfer students 	<ul style="list-style-type: none"> - # of transfer inquiries, applications - Transfer student yield rate - Average transfer student GPA - # of pathways into NCF AOCs developed
c. Enroll students who reflect Florida's racial and economic diversity	
i. Increase student diversity <ul style="list-style-type: none"> - Highlight events/activities/orgs attractive to underrepresented students - Increase recruiting in areas with higher underrepresented populations - Focus alum book award program on awards to underrepresented students - Increase recruiting presence in targeted areas outside Florida (US/International) - Engage alumni from under-represented populations to support efforts 	<ul style="list-style-type: none"> - % of incoming class: protected race/ethnic class - % of incoming class: outside Florida - % of degrees awarded to (diversity categories) - Graduation rate differential (majority vs. non-) - NSSE: interactions with diverse populations - Diversity of applicant pools; employees
ii. Increase access <ul style="list-style-type: none"> - Outreach campaign targeting financial aid info to Pell eligible applicants - Increase recruiting visits to Title I schools in Florida - Proactive summer communication plan to prepare students & families 	<ul style="list-style-type: none"> - # of FTIC students enrolled each year - # of transfer students enrolled each year - Graduation rate differential (Pell vs. non-Pell)
iii. Follow-through with existing enrollment plans <ul style="list-style-type: none"> - Implement Strategic Enrollment Management (SEM) Plan - Finish implementation of Growth Plan 	<ul style="list-style-type: none"> - (SEM & Growth Plan goals built into this plan) - Accomplish all Growth Plan tasks by July 2020

AOC = area of concentration (major); CIRP = Cooperative Institutional Research Program Freshmen Survey; FTIC = First Time in College;
 NSSE = National Survey of Student Engagement

2. Keep them here four years

Tactics	Lead Measures
a. Make campus a place where students want to be	
i. Provide an accessible, attractive, and sustainable physical campus <ul style="list-style-type: none"> - Plan and build multi-use facility - Explore private partnerships for attractive, affordable student housing - Update Campus Master Plan maintenance and renovation priorities - Improve access for students with disabilities 	<ul style="list-style-type: none"> - Environmental sustainability - Financial sustainability (ratios) - BSS: % satisfied w/ physical campus appearance - Deferred maintenance - Classroom and residence hall capacity/usage
ii. Support student health, wellness, and safety <ul style="list-style-type: none"> - Expand physical wellness opportunities (fitness, sports, waterfront) - Social norming campaign on alcohol and other drug usage - Increase access to student mental and physical health services - Improve communication among police, faculty, and students - Clarify expectations for student performance; promote healthy study habits 	<ul style="list-style-type: none"> - National College Health Assessment - BSS: % satisfied with personal safety - # of incidents (Clery report) - % of students participating in physical activities - Wellness professionals to student ratio - Percentage of Responsible Employees trained
iii. Ensure a welcoming social environment <ul style="list-style-type: none"> - Offer programming: Intergroup Dialogue; Conflict Resolution - Build four-year co-curricular experience to develop skills - Expand social activities (CCA joint calendar; student transportation) - Use social media and technology to enhance student interactions - Implement findings from research on NCF students, applicants, & graduates 	<ul style="list-style-type: none"> - Student-faculty ratio - BSS: % satisfied with NCF environment - Climate survey: connection to campus - % of faculty, staff, admin from protected classes - Retention rate gap (majority vs. non-majority) - % students completing co-curricular pathways
iv. Improve customer service <ul style="list-style-type: none"> - Improve access (one-stop shop; online forms, expand hours) - Develop and empower staff (customer service training) - Compensate staff commensurate with national rank peers - Improve communication, transparency, & information/data sharing - Acknowledge/incentivize staff performance (budgeting) - Ensure continuity of operations (desktop procedures, cross-training) - Increase opportunities for training, mentoring, career advancement 	<ul style="list-style-type: none"> - BSS: % satisfied with Registrar, Financial Aid, etc. - BSS: % satisfied with NCF services - Job satisfaction survey - Staff turnover % (and turnover differential) - Staff compensation (vs. rank peers) - Retention of staff receiving "effective+" appraisals - % of positions filled with internal candidates
b. Immerse students in curricula that inspires	
i. Develop attractive academic programs that are important to Florida <ul style="list-style-type: none"> - Investigate new academic programs (pre-professional; certificates) - Enhance programs of distinction as identified by the BOG - Infuse STEM and global competitiveness into the curriculum 	<ul style="list-style-type: none"> - BOG metrics for programs of distinction (TBD) - # of AOCs added/eliminated - Student-credit-hours generated per AOC
ii. Employ cutting-edge pedagogical practices <ul style="list-style-type: none"> - Enhance faculty development (peer evaluations/feedback) - Encourage innovation (team teach; linked courses; distance/online) 	<ul style="list-style-type: none"> - Student and peer evaluations of instruction - % of class sections with <20, 30, 40, 50 students - % of course sections taught by full-time faculty - % of courses infused with technology
iii. Engage students in high-impact practices (HIPs) <ul style="list-style-type: none"> - Link co-curricular transcript and pathways to contract system - Re-envision the Liberal Arts Curriculum to include HIPs - Increase externally-funded faculty research involving students - Add study abroad, international research opportunities 	<ul style="list-style-type: none"> - # of AOCs that require at least 2 HIPs - % of students completing one HIP by 5th contract - % of students engaged in research with faculty - Instruction, research, support spending per FTE - Carnegie Community Engagement by 2020/2025
iv. Attract and retain top faculty <ul style="list-style-type: none"> - Compensate faculty commensurate with national rank peers - Expand faculty recruitment efforts - Increase external research funding 	<ul style="list-style-type: none"> - % of faculty with terminal degrees in their fields - Faculty compensation (vs. rank peers) - % failed searches; % 1st choice candidates hired - % faculty engaged in externally-funded research - Externally-funded research \$\$\$
c. Work with students to help each knit together a superlative education	
i. Enhance academic and co-curricular support services <ul style="list-style-type: none"> - Intervention plan for students with incompletes or unsat designations - Develop first-year seminar or program - Investigate new student advising models; multi-layered advising - Further integrate writing and quantitative resources into academic program - Engage alumni and community mentors for underrepresented students 	<ul style="list-style-type: none"> - % of students with unsats receiving intervention - % of students completing 1st-year program - BSS: % satisfied with academic advising - # of writing and quant-infused courses offered - % completing writing/quant-infused courses
ii. Maximize effectiveness of distinctive NCF features <ul style="list-style-type: none"> - Incorporate student reflection in academic contract system - Demonstrate/enhance effectiveness of ISPs, narrative evals, mini-classes 	<ul style="list-style-type: none"> - % of seniors not completing thesis - % unsat or incomplete contracts each term - % unsat or incomplete ISPs

AOC = area of concentration (major); BOG = Board of Governors; BSS = Baccalaureate Student Survey; CCA = Cross-College Alliance
 HIPs = high-impact practices (e.g., internships, study abroad, learning communities, capstone projects, research with faculty, collaborative projects)

3. Make their degree more valuable

Tactics	Lead Measures
a. Build pathways for academic and career success	
i. Enhance effectiveness of the academic program <ul style="list-style-type: none"> - Investigate effectiveness of course schedule; AOC pathways; acad. calendar - Implement and support AOC improvement plans - Develop early warning system for at-risk students - Provide more timely feedback on student performance - Reduce thesis anxiety and provide more support for thesis success - Thesis: investigate alternative pathways for students (timeline; alternatives) - Clarify expectations for student performance and promote healthy life habits 	<ul style="list-style-type: none"> - External learning assessment (e.g., VALUE, CLA) - BSS: Academic effectiveness - SAPA: % of students meeting expectations - Average GRE scores - % of AOCs completing improvement plans - Alumni survey: effectiveness of program - AOCs aligning outcomes to outside expectations - % sat contracts and courses each term - % of March expected graduates finishing thesis
ii. Develop pathways to immediate employment and continuing education <ul style="list-style-type: none"> - Enhance career-readiness, continuing education, and post-graduation programming (e.g., <i>What's Next?</i>) with additional pathways and articulation agreements - Normalize career readiness through four-year pathway - Engage alumni and community support from under-represented populations to provide mentors and internships. - Develop pathways from NCF to graduate programs - Support faculty to foster service learning and internship opportunities 	<ul style="list-style-type: none"> - % employed full-time within 1 year - Median salary within 1 year - Feedback from internship providers - # of graduates earning prestigious fellowships - # of graduates studying overseas - % enrolled within 1 year - Law, medical school acceptance rates - % of students completing internships - % students completing co-curricular pathways
iii. Reduce time to degree and excess hours <ul style="list-style-type: none"> - Develop four-year pathways for all AOCs (including joint-AOCs) - Develop two-year AOC pathways for transfer students - Clarify distance learning 	<ul style="list-style-type: none"> - Average time to degree - % graduating with ≤7 contracts - % of students completing 4+ units each term - % of AA transfer students graduating in 2 years
iv. Minimize student debt <ul style="list-style-type: none"> - Optimize textbook and materials costs - Increase work study and on-campus employment opportunities - Raise funds for scholarships 	<ul style="list-style-type: none"> - % of students with financial need fully met - % of students graduating with no debt - Average debt load for graduates - Costs: Tuition, fees; textbooks, housing
b. Make Sarasota an educational destination	
i. Leverage the Cross College Alliance (CCA) <ul style="list-style-type: none"> - Develop a Center for Creativity, Collaboration, and Competitiveness (C4) - Expand faculty development and collaboration opportunities - Develop support services for international students - Develop shared calendar of events 	<ul style="list-style-type: none"> - # faculty participating from each CCA institution - # of support services developed and offered - # of events on shared CCA calendar each year
ii. Share when possible <ul style="list-style-type: none"> - Investigate additional shared services (library, counseling/wellness, chiller, police) 	<ul style="list-style-type: none"> - \$ saved from shared services
iii. Collaborate with research, artistic, medical organizations and businesses <ul style="list-style-type: none"> - Mellon Grant (connect arts and humanities in the local region) - Establish Local Global Center 	<ul style="list-style-type: none"> - # of collaborations - Economic impact on Sarasota
iv. Cultivate faculty networks with professional, scientific organizations <ul style="list-style-type: none"> - Enhance grant activities 	<ul style="list-style-type: none"> - % faculty engaged in externally-funded research - Externally-funded research \$\$\$
c. Intensify links with alumni and communities	
i. Build alumni affinity <ul style="list-style-type: none"> - Revamp chapter regional chapter events - Young alumni engagement and philanthropy education program - Track and promote alumni participation in giving - Track and highlight alumni careers and profiles 	<ul style="list-style-type: none"> - Alumni donor participation rate - Alumni survey – impact of NCF on success - \$ donated by alumni - Alumni event attendance - % of alumni employed/enrolled (5, 10, 20 years) - Median salary of alumni (5, 10, 20 years)
ii. Engage the community <ul style="list-style-type: none"> - Robust lecture series to bring learning opportunities to community - Small gatherings of community influencers/philanthropists with President - raise visibility of New College in SRQ - Strategic use of BOT/BOD at community events/organizations to increase connection, engagement with and awareness of NCF 	<ul style="list-style-type: none"> - Community Engagement measures (from Carnegie Community Engagement Classification application) - DEO Challenge statistics
iii. Collaborate with the NCF Foundation to identify and fund key priorities	<ul style="list-style-type: none"> - Fundraising goals for specific priorities

AOC = area of concentration (major); BSS = Baccalaureate Student Survey; VALUE, CLA = Externally-developed assessments of student learning
 SAPA = Student Academic Program Assessment (multiple faculty provide a capstone assessment of student performance);

Envisioning Success

1. Recruit more students who will thrive at New College

Success: Enrolling an additional 30 new, intellectually curious students each year to reach 1200 students by 2023-24. These students will reflect the diversity of Florida and will be prepared for the rigor of a New College education.

	Annual Targets					
	'18-19	19-20	20-21	21-22	22-23	'23-24
(7) University access rate (% Pell recipients)	30%	31%	32%	33%	34%	35%
(8b) % of first-year students in top 10% of high school class	37%	40%	43%	46%	49%	50%
Total headcount enrollment	830	860	900	975	1075	1200
Number of FTIC and new transfer students enrolled each Fall	230	260	290	320	335	335
% incoming class: Latino/Latina,	20%	21%	22%	23%	24%	25%
African American,	5%	7%	9%	11%	13%	15%
Asian,	3%	3%	4%	4%	5%	5%
Out-of-state and international	15%	16%	17%	18%	19%	20%

2. Keep them here four years

Success: Engaging students in high-impact academic and co-curricular experiences with talented faculty and dedicated staff in a safe, welcoming environment. Top-notch academic programs and modern facilities will create a campus where students want to be, increasing retention and persistence for first-, second-, and third-year students beyond 90% by 2024 and the four-year graduation rate to 80% by 2028.

	Annual Targets					
	'18-19	19-20	20-21	21-22	22-23	'23-24
(4) Four-year graduation rate	55.0%	57.5%	60.0%	62.5%	65.0%	67.5%
(5) Academic progress (retention) rate (2nd-3rd, 3rd-4th persistence)	80%	82%	84%	86%	89%	92%
(6) % of UG / graduate degrees in programs of strategic emphasis	50/100%	52/100%	54/100%	56/100%	58/100%	60/100%
(10) % of FTIC graduates completing 3+ high-impact practices	55%	59%	63%	67%	71%	75%
Percent satisfied with (a) academic experience, (b) non-academic experience, (c) each New College service (Baccalaureate Student Survey) Percent who, if they could start over, would probably or definitely choose NCF again (National Survey of Student Engagement)	90%	91%	92%	93%	94%	95%

3. Make their degree more valuable

Success: Providing an effective, affordable education with clear pathways to gainful employment and continuing education. By 2023, more than two-thirds of graduates will be employed full-time or enrolled in continuing education within one year of graduation. This will set students on the path for lives of great achievement.

	Annual Targets					
	'18-19	19-20	20-21	21-22	22-23	'23-24
(1) % enrolled or employed (earning \$25k) within one year*	55%	58%	61%	64%	67%	70%
(2) Median salary of graduates one year following graduation	\$27.4k	\$28k	\$31k	\$34k	\$38k	\$42k
(3) Cost-to-student (net tuition and fees for undergraduate degree)	<\$7k	<\$7k	<\$7k	<\$7k	<\$7k	<\$7k
(9) % of students graduating without excess hours	83%	84%	85%	86%	88%	90%
PhD yield rate (# earning PhDs / # of UG degrees 9 years prior)	15%	15%	16%	16%	17%	17%

* These targets apply to the current WRIS2 employment data (which does not include AL, CA, CO, HI, MA, NY)

blue = Board of Governors Performance Based Funding Metric

Appendix I: What we will do in years 4-10.

The preceding pages detail what we will and will not do over the next three years. Beginning in the fourth year (2022), we anticipate actively pursuing four additional capital projects. Barring extraordinary good fortune, we will not have the resources or time to pursue these earlier:

Airport: We will begin implementation of a long range plan for acquiring the land leased from the airport on the Pei (West) Campus.

Caples: We have begun building out a strong recreational program on the Caples waterfront and are installing a dock to support sailing and marine science. The Caples Campus houses the environmental studies program and the studio arts. The Caples mansion desperately needs renovation; we plan to restore it to serve as a center for the community, possibly with part as a president's house.

Bay Front: The academic heart of New College resides on the Bayfront Campus. The new multi-use facility will provide accessible space that will house the functions that come with our larger size. Central, however, to what goes on at New College is the interaction between professor and student; student and student; the past and the future; the campus and world. We have two beautiful historic buildings on the bay, to the west of the multi-purpose facility: the Charles Ringling mansion (known now as College Hall) and the Hester Ringling Sanford mansion (now called Cook Hall). While these buildings are in good shape, they are not accessible to those with physical disabilities. We plan to do modest renovations to make the buildings accessible, and to have them house the central activity of New College: the purposeful interaction of faculty and students in a range of settings conducive to sustained thought. From a larger perspective, this would be the start of an academic esplanade along the Bayfront, comprising five mansions, all built in the 1920's and all state-owned: Caples (New College), Ca d'Zan (FSU-Ringling), Cook Hall (New College), College Hall (New College), and Powel Crosley (USF-SM). There is no place in Florida with this sort of historical treasure in public hands. Two of the mansions, Ca d'Zan (Charles Ringling's mansion) and College Hall (Charles Ringling's mansion) are actually built around Aeolian organs that will be restored.

Car Museum: Development of the Car Museum property, which the state purchased for New College in 2007, will likely be undertaken with private developers and perhaps partners from the Cross College Alliance within the last three years of this Strategic Plan. The property is prime real estate, sitting at the north entrance to Sarasota on US 41, opposite the FSU Ringling Complex and just west of the Sarasota-Bradenton International Airport on University Parkway.

Other likely projects in years 4-10 of this strategic plan include:

- The development of a competency-based academic program
- An evaluation of enrolling part-time students
- An enhanced globalized experience through international student recruitment and study abroad opportunities
- The consideration of additional masters programs
- The creation of physical space for the Cross College Alliance (CCA)

Appendix II: Lag Measures for Long-term Goals

Why? New College of Florida prepares intellectually curious students for lives of great achievement

Measures: Alumni surveys
Measures of graduate success 10 and 20 years out

Where? New College will be recognized among the top 20 liberal arts colleges in the nation

Current national rankings and ratings:

- **#90** (#5 among public) National Liberal Arts Colleges ([U.S. News & World Report](#))
- **#29** (#1 among public) Best Liberal Arts Colleges ([Washington Monthly](#))
- **#16** Best Public College Value ([Kiplinger](#))
- **Among 38** “Best Buy” colleges ([Fiske Guide to Colleges](#))
- **Among 50** Top Colleges that Create Futures ([Princeton Review](#))

The following tables display the weights used to calculate U.S. News and Washington Monthly rankings scores
Example: Six-year graduation rate contributes 18% to the US News score and 3.4% to the Washington Monthly score.

U.S. News & World Report metrics	weights
Graduation and Retention Rates	30.0%
Six-year graduation rate	18.0%
Six-year graduation rate (actual vs. expected)	7.5%
First-year student retention rate	4.5%
Undergraduate Academic Reputation	22.5%
Peer assessment survey	15.0%
High school counselor's ratings	7.5%
Faculty Resources	20.0%
Class size (% of sections with <20, 30, 40, 50)	8.0%
Faculty compensation	7.0%
% faculty with terminal degree in field	3.0%
% of faculty who are full-time	1.0%
Student-faculty ratio	1.0%
Selectivity	12.5%
SAT/ACT scores	8.1%
% of first-years in top 10% of high school class	3.1%
Acceptance rate (admitted / applied)	1.3%
Financial Resources	15.0%
Instruction, research, support spending per FTE	10.0%
Alumni giving rate	5.0%

Washington Monthly metrics	weights
Access and Social Mobility	33.3%
Six-year graduation rate	3.4%
Six-year graduation rate (actual vs. expected)	3.3%
Affordability (net price for Florida FTICs)	6.7%
Median earnings after 10 years (actual vs predicted)	6.7%
Loan repayment (actual; actual vs. predicted)	6.7%
% Pell recipients	2.2%
Graduation rate gap (Pell vs. Non-Pell)	2.2%
% first-generation students	1.1%
Graduation rate gap (1st-gen vs. Non-1st-gen)	1.1%
Research	33.3%
Alumni who go on to earn PhDs	22.2%
Total research spending	11.1%
Service	33.3%
Military service (% in ROTC)	8.3%
National service (% in Peace Corps)	8.3%
% federal work study \$ spent on service projects	8.3%
Matching \$ for Segal AmeriCorps Education Award	8.3%

Appendix III: Alignment to 2025 System Strategic Plan Goals**Teaching and Learning**

PERFORMANCE INDICATORS	2025 BOG GOALS REVISED 2014	NCF BOT GOALS
EXCELLENCE		
1) National Rankings for Universities PBF: NCF	1 in Top 10 Liberal Arts 1 in Top 10 Nation 1 in Top 11-25 Nation 1 in Top 25-50 Nation	Top 5 Public Liberal Arts Top 20 Liberal Arts
2) Freshmen in Top 10% of Graduating High School Class PBF: NCF	50%	50% by 2023-24
3) Professional Licensure & Certification Exam Pass Rates Above Benchmarks	All Exam Pass Rates Above Benchmarks	N/A
4) Percent of SUS courses bearing a “high-quality” rating in the Florida Virtual Campus online catalog	90%	N/A

Detailed definitions for each metric are provided in the back of the Board of Governors’ Revised 2014 System Strategic Plan, available at http://www.flbog.edu/board/_doc/strategicplan/2025_System_Strategic_Plan_Amended_FINAL.pdf.

Teaching and Learning (continued)

PERFORMANCE INDICATORS	2025 BOG GOALS REVISED 2014	NCF BOT GOALS
EXCELLENCE		
5) Average Time to Degree (for FTIC in 120hr programs)	4.0	3.8 by 2021 (Accountability Plan)
6) Four-Year Graduation Rates (for Full- and Part-time FTIC) PBF: ALL	50%	67.5% by 2024 80.0% by 2028
7) Six-Year Graduation Rates (for Full- and Part-time FTIC)	70%	67% 2015-2021 (Accountability Plan)
8) Percent of Bachelor’s Degrees Without Excess Hours PBF: ALL	80%	90% by 2024
9) Bachelor’s Degrees Awarded Annually PBF: UCF	90,000	200 by 2020-21 (Accountability Plan)
10) Graduate Degrees Awarded Annually	35,000 ¹	20 by 2020-21 (Accountability Plan)

Note 1: The goal for graduate degrees has been lowered in recognition of the recent declining enrollments at the graduate level – especially in Education programs.

Teaching and Learning (continued)

PERFORMANCE INDICATORS	2025 BOG GOALS REVISED 2014	NCF BOT GOALS
EXCELLENCE		
11) Bachelor's Degrees Awarded to African-American & Hispanic Students PBF: FAU, FGCU, FIU	36,000 (40%)	56 (28%) by 2020-21 (Accountability Plan)
12) Number of Adult (Aged 25+) Undergraduates Enrolled PBF: UWF	75,000 (21%)	12 (1%) by 2023-24 (Accountability Plan)
13) Percent of Undergraduate FTE in Online Courses	40%	5% 2020-21 (Accountability Plan)
14) Number of Institutions with at least 30% of Fall Undergraduates Receiving a Pell Grant (Related to University Access Rate) PBF: ALL	All Institutions Above 30%	35% by 2023-24
15) Academic Progress Rate (2nd Fall Retention with GPA>=2) PBF: ALL	90%	92% by 2023-24

Teaching and Learning (continued)

PERFORMANCE INDICATORS	2025 BOG GOALS REVISED 2014	NCF BOT GOALS
EXCELLENCE		
16) Bachelor's Degrees in Programs of Strategic Emphasis (Categories Include: STEM, Health, Education, Global, Gap Analysis) PBF: ALL	45,000 (50%) (after 2012-13 revision)	60% by 2024
17) Bachelor's Degrees in STEM & Health (Percent of Bachelor's Total)	30,000 (35%) (after 2012-13 revision)	44% by 2021 (Accountability Plan)
18) Graduate Degrees in Programs of Strategic Emphasis (Categories Include: STEM, Health, Education, Global, Gap Analysis) PBF: ALL (except NCF)	18,200 (60%) (after 2012-13 revision)	100% by 2024
19) Graduate Degrees in STEM & Health (Percent of Graduate Total)	15,200 (50%) (after 2012-13 revision)	100% by 2024

Scholarship, Research and Innovation (continued)

PERFORMANCE INDICATORS	2025 BOG GOALS REVISED 2014	NCF BOT GOALS
EXCELLENCE		
20) Faculty Membership in National Academies	75 (based on 2011)	0 (Accountability Plan)
21) Faculty Awards PBF: FSU, UF	75 (based on 2011)	0 (Accountability Plan)
22) Percent of Undergraduate Seniors Assisting in Faculty Research --- or --- Percent of Undergraduates Engaged in Research PBF: NCF	TBD Board staff will work to develop a standard definition for this metric across the System	100% (Accountability Plan)

Scholarship, Research and Innovation (continued)

PERFORMANCE INDICATORS	2025 BOG GOALS REVISED 2014	NCF BOT GOALS
EXCELLENCE		
23) Total R&D Expenditures PBF: UF	\$2.29B (based on 2012-13)	\$1.7M by 2021 (Accountability Plan)
24) % of R&D Expenditures funded from External Sources PBF: FAMU	71% (based on 2011-12)	72% by 2021 (Accountability Plan)
STRATEGIC PRIORITIES		
25) Number of Patents Awarded Annually	410 (based on 2013)	0 (Accountability Plan)
26) Number of Licenses and Options Executed Annually	270 (based on 2011-12)	0 (Accountability Plan)
27) Number of Start-Up Companies Created	40	0 (Accountability Plan)

Community and Business Engagement

PERFORMANCE INDICATORS	2025 BOG GOALS REVISED 2014	NCF BOT GOALS
EXCELLENCE		
28) Number of Universities with the Carnegie Foundation's Community Engagement Classification	All	By 2020 or 2025
STRATEGIC PRIORITIES		
29) Percentage of Baccalaureate Graduates Continuing Education or Employed PBF: ALL	90%	70% (2024 with \$25k filter applied & WRIS2 data limitations)

SUS GOALS	Excellence	Productivity	Strategic Priorities
TEACHING & LEARNING	1. Strengthen Quality & Reputation of Academic Programs and Universities	2. Increase Degree Productivity and Program Efficiency	3. Increase Number of Degrees Awarded within Programs of Strategic Emphasis
SCHOLARSHIP, RESEARCH, & INNOVATION	4. Strengthen Quality & Reputation of Scholarship, Research, and Innovation	5. Increase Research Activity and Attract More External Funding	6. Increase Commercialization Activity
COMMUNITY & BUSINESS ENGAGEMENT	7. Strengthen Quality & Recognition of Commitment to Community and Business Engagement	8. Increase Community and Business Engagement	9. Increase Community and Business Workforce

NCF Tactics	Excellence	Productivity	Strategic Priorities
TEACHING & LEARNING	1a Tell the New College story iii) Enhance academic reputation	1b Target intellectually curious, high-ability students ii-iii) Target high-ability prospects	1b Target intellectually curious, high-ability students ii-iii) Target high-ability prospects
	2b Immerse students in curricula ii) Employ cutting-edge pedagogical practices iii) Engage students in high-impact practices iv) Attract and retain top faculty	2a Make campus a place where students want to be ii) Support student health, wellness, and safety iii) Ensure a welcoming social environment	1c Enroll students who reflect Florida's diversity ii) Increase access 2b Immerse students in curricula i) Develop attractive academic programs that are important to Florida
	2c Superlative education ii) Maximize effectiveness of distinctive NCF features	2c Superlative education i) Enhance academic and co-curricular support services ii) Maximize effectiveness of distinctive NCF features	
	3a Build pathways for academic and career success i) Enhance effectiveness of academic program iv) Minimize student debt	3a Build pathways for academic and career success i) Enhance effectiveness of academic program ii) Develop pathways to immediate employment and continuing education iii) Reduce time to degree and excess hours 3b Sarasota = educational destination i) Leverage the CCA ii) Share when possible	
SCHOLARSHIP, RESEARCH, & INNOVATION	1a Tell the New College story iii) Enhance academic reputation	1a Tell the New College story ii) Enhance visibility and name recognition	3b Sarasota = education destination iii) Cultivate faculty networks with professional and scientific organizations
	2b Immerse students in curricula iii) Engage students in high-impact practices	2b Immerse students in curricula iii) Engage students in high-impact practices iv) Attract and retain top faculty	
	3b Sarasota = education destination iii) Cultivate faculty networks with professional and scientific organization	3b Sarasota = education destination iii) Cultivate faculty networks with professional and scientific organizations	
COMMUNITY & BUSINESS ENGAGEMENT	3a Build pathways for academic and career success ii) Develop pathways to immediate employment and continuing education	1a Tell the New College story ii) Enhance visibility and name recognition 3c Intensify links with alumni and communities ii) Engage the community	3a Build pathways for academic and career success ii) Develop pathways to immediate employment and continuing education 3c Intensify links with alumni and communities i) Build alumni affinity

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Strategic Planning Committee
November 8, 2018**

SUBJECT: Florida Atlantic University 2015-2025 Strategic Plan

PROPOSED COMMITTEE ACTION

Consider approval of the Florida Atlantic University 2015-2025 Strategic Plan

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 1.001(3)(c)

BACKGROUND INFORMATION

Board of Governors Regulation 1.001(3)(c) requires that each University Board of Trustees adopt a strategic plan in alignment with its mission and the Board of Governors' 2025 System Strategic Plan. University strategic plans are required to be submitted to the Board of Governors for approval. The Florida Atlantic University 2015-25 Strategic Plan has been submitted for consideration to approve. If approved by the Strategic Planning Committee, the Florida Atlantic University 2015-25 Strategic Plan will be forwarded to the full Board of Governors for consideration.

Dr. John Kelly, President of Florida Atlantic University, will provide an overview of the plan.

Supporting Documentation Included:	Florida Atlantic University 2015-2025 Strategic Plan
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Presenter/Facilitator:	Dr. John Kelly
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FLORIDA ATLANTIC UNIVERSITY

A Strategic Plan for the Race to Excellence

2015-2025

Approved by the Florida Atlantic University
Board of Trustees on March 24, 2015.
Amended on October 2, 2018.

The Setting for the Race to Excellence

Florida Atlantic University is a dynamic, national public research university with campuses and sites strategically located along a corridor of more than 100 miles of coastline between America's Everglades and the Atlantic Ocean.

Already, it is recognized as a university of first choice for

- excellence in undergraduate education and the student experience,
- comprehensive graduate education,
- visionary and globally relevant research; and
- transformative engagement with its global communities.

With one of the nation's most diverse student bodies, Florida Atlantic offers over 170 degree programs to more than 30,000 students. The University is now 50 years old, and this plan will guide its strategic growth for the next 10 years.

The Aspiration

Florida Atlantic will pursue, with unbridled ambition, the intention of becoming the country's fastest-improving public research university.

The institution developed this plan to attract many collaborators for the mutual benefit of Florida Atlantic and its external constituents. The plan captures the direction that the University can follow to nationally differentiate itself.

- We will recruit and retain the highest talent in faculty, staff and students.
- Our programs will develop in focal areas, known as *Pillars and Platforms*.
- We will concentrate on very strategic capital facilities projects.
- The organizational efficiency of the university will be greatly enhanced.
- Most importantly we will "budget to the plan" not "plan to the budget."

The Planning Process

This current plan builds upon past success, maintaining the mission and vision of the University. In particular, the 2012 plan, *Making Waves: Celebrating and Cultivating Discovery, Diversity, and Distinction*, focused the University on developing a culture of student success and excellence in research and inquiry. The goals and strategies in this document continue the spirit of the previous plan.

Additionally, key strategies for improvement must address the State University System of Florida's Board of Governors performance metrics. A renewal of the

strategic planning process needed to take place in order to incorporate evolving expectations.

Moving forward, the institution developed the 2025 plan with substantial input from the faculty and stakeholders of Florida Atlantic University.

- From March through June 2014, listening sessions with internal and external constituencies revealed much about what stakeholders expected from the University.
- From July through September 2014, the President and Vice Presidents held administrative retreats to determine strengths, weaknesses and opportunities to improve the institution and set benchmarks for success.
- In early September, a draft outline for the plan was shared with the University's Board of Trustees.
- From September through January 2015, the President and Provost—along with other administrators—met personally for approximately 2-3 hours each with all 60 academic departments and student-related units. Each of the six FAU campuses was visited to determine the specific niche that distinguished that campus from the others. The primary purpose of these visits was to have direct, unfiltered messages and thoughtful dialog about current conditions at FAU as well as to hear and incorporate into the plan the aspirations and concerns of faculty, students, stakeholders and administrators.
- In the coming months, a clearly defined list of institutional performance metrics, attached to the end of this document, will enable the University to operationalize this plan.

Mission Statement

Florida Atlantic University is a multi-campus public research university that pursues excellence in its missions of research, scholarship, creative activity, teaching, and active engagement with its communities.

Vision

Florida Atlantic University aspires to be recognized as a university known for excellent and accessible undergraduate and graduate education, distinguished for the quality of its programs across multiple campuses and classified as a very high research institution that is internationally acclaimed for its contributions to creativity and research as well as its collaborations with regional partners.

Values

Florida Atlantic University values:

- Excellence - in teaching, research and public service
- Accountability - taking responsibility for actions and being outcome-based
- Teamwork - seeking collaborative strategies to solve problems
- Integrity - telling the truth and delivering on our commitments
- Playing to win - and helping others win
- Innovation - striving for creative solutions and continuous improvement
- Student success - wholly committing ourselves to our students' futures
- Safety - providing a secure campus environment
- Shared governance - making decisions through collaborative processes
- Professionalism - performing our responsibilities with an ethical behavior
- Customer service - exceeding the expectations of our clientele
- Respect - treating people the way we want to be treated
- Engagement – collaborating with community to benefit all stakeholders

Goals

Limited in number, but broad in scope and impact, attainment of these goals will ensure Florida Atlantic University's future as a public research university that creates value for all of its institutional stakeholders. To that end, it will be the entire institution's strategic priority to build the following six characteristics upon *Pillars and Platforms* that will define our Vision:

Boldness A uniquely competitive and globalized student body

Build a geographically-diverse population of students who excel in focused academic areas and engage in enriching activities that drive them to timely graduation and successful futures.

Synergy Prominent teams of researchers and scholars

Invest in focused pillars and platforms—connecting the most talented faculty, staff and students to expand on the robust culture of nationally respected research and inquiry.

Place Deep engagement with South Florida's global communities

Partner with a diverse set of local stakeholders and enhance the physical spaces to build upon the unique cultural, demographic and environmental characteristics of each campus community – striving for leadership in developing the South Florida culture and economy.

Quality	Continuously-assessed and evolving best practices Design a resilient, lean organization—based on best logistical practices—that identifies economies of scale and incorporates new technologies to promote institutional development.
Brand	National reputation for excellence Communicate the incredible stories of the University to an increasingly eGlobal audience, so that key internal stakeholders can link with external constituency groups.
Strategy	Wise and innovative allocation of resources “Budget to the plan” and pursue new revenue streams in order to make FAU self-reliant and thriving in the midst of competitive public and private funding opportunities.

Pillars and Platforms

These areas of focus will guide institutional goals and strategic actions.

Pillars define institutional programs focused on creating knowledge that benefits society.

Healthy Aging	<ul style="list-style-type: none"> • Health and wellness • Geriatrics and aging in place • Drug discovery • Health policy, health equity, and health economics • Stem cell research and regenerative medicine
Neuroscience	<ul style="list-style-type: none"> • Dementia and Alzheimer's disease • Psychiatric illnesses and mental health • Spinal cord injuries, eye disease, and cognition • Communication disorders
Ocean Science and Engineering / Environmental Sciences	<ul style="list-style-type: none"> • Health of the Everglades and the Atlantic Ocean, including river basins • Harnessing energy from the environment • Technologies that contribute to national security
Sensing and Smart Systems	<ul style="list-style-type: none"> • Sensor technology that can measure changes in the health of people or environments, and which advance automation

Platforms represent scholarly activities that apply to and support all *Pillars*.

Big Data Analytics	<ul style="list-style-type: none"> • Develop tools to store, sort, and mine large datasets
Community Engagement and Economic Development	<ul style="list-style-type: none"> • Work with communities to develop tools to address challenges and uncover solutions that promote community development and economic prosperity
Diversity	<ul style="list-style-type: none"> • Identify and promote opportunities to diversify our students, faculty, and staff – and build institutional cross-cultural competencies
Global Perspectives and Participation	<ul style="list-style-type: none"> • Identify opportunities to share technology, discoveries and learning with other institutions across the U.S. and the globe
Healthy and Environmentally Sustainable Campus	<ul style="list-style-type: none"> • Identify opportunities to incorporate scholarship into campus operations
Leadership, Innovation and Entrepreneurship	<ul style="list-style-type: none"> • Engage faculty, staff and students in professional development of leadership skills • Identify intellectual property, license IP and promote a culture of startup companies for faculty and students.
Peace, Justice, and Human Rights	<ul style="list-style-type: none"> • Develop programs that share best practices and promote tolerance and understanding of diverse cultures.
South Florida Culture	<ul style="list-style-type: none"> • The region as an international hub for the arts and the humanities
Undergraduate Research and Inquiry	<ul style="list-style-type: none"> • Distinction through discovery and research experiences that promote scholarship and graduation

Boldness

A uniquely competitive and globalized student body

In the next decade, FAU aims to position itself as a globalized, forward-thinking institution that caters to high-ability students. An organizational culture of achievement—through timely academic progression and distinction through discovery—will thrust FAU towards national recognition.

Strategic actions and initiatives

Develop and implement a comprehensive enrollment management strategy

- Increase enrollment in Board of Governors' areas of strategic emphasis
- Expand the traditional student catchment region beyond South Florida
- Build non-resident diversity to 15% of the student population

Recruit and retain nationally competitive students

- Select strategic target markets for student recruitment
- Improve admission standards through high quality selectivity
- Increase the number of National Merit Scholar Finalists and Semifinalists
- Include faculty in strategic and international recruitment efforts

Become the national model for diversity of the student body

- Ensure continual inclusion as a Hispanic Serving Institution
- Pursue diversity in all academic disciplines, leveraging proximity to Latin America and the Caribbean to internationalize enrollments

Provide competitive financial support for students

- Offer market-based stipends and benefits for graduate students
- Offer scholarships to recruit outstanding students based on merit or need

Develop an academic support structure for timely student graduation

- Improve undergraduate student retention and graduation rates
- Promote timely graduation for full-time graduate students
- Develop advanced advising strategies to assist students in course selection, career development, “Flight Plans,” and accepting personal accountability for success
- Elevate the use of eLearning to supplement classroom education
- Evaluate and update curricula to be aligned with evidence-based practices, as established by learning sciences
- Expand summer semester offerings
- Assist faculty to develop innovative instructional methodologies and designs across the curriculum
- Optimize academic scheduling
- Engage all students in traditional collegiate experience, such as on-campus activities and leadership development opportunities

Develop athletic programs that achieve success in Conference USA and beyond.

- Recruit and retain student-athletes, coaches, and staff who mirror institutional values and contribute to the achievement of FAU’s mission
- Evaluate and refine student support programs for student-athletes
- Implement revenue-generation plans to provide resources for excellence
- Ensure an effective NCAA compliance education program which properly communicates with student-athletes, coaches, staff, and FAU constituents
- Enhance athletic facilities and resources to attract the best student-athletes and to build a national following for Florida Atlantic Athletics

Expand opportunities for undergraduate students to participate in discovery-based learning.

- Create meaningful living-learning communities on or near campus

- Invest significantly in on-campus internships
- Provide meaningful employment on campus to provide work experience and relieve financial burden for students

Promote student scholarship

- Help nominate students and obtain increased national awards for students (Truman, Goldwater, etc.)
- Increase student participation in national meetings
- Increase students publishing in peer-reviewed journals

Promote excellence in educational experiences throughout all stages of life

- Continue to develop public PK-12 laboratory schools as national models
- Expand lifelong learning offerings throughout the service region

Elevate the levels of student success beyond graduation

- Achieve high numbers of students employed in well-paying jobs after graduation
- Achieve high placement levels in graduate, post-graduate, and post-professional educational, training, and research programs, particularly with prestigious institutions

Synergy

Prominent teams of researchers and scholars

FAU already possesses unique and active research programs, and the institution will invest in focused *Pillars and Platforms* to enhance interdisciplinary teams. By connecting the most talented faculty, staff, and students, the University will expand upon a robust culture of globally-respected research and inquiry.

Strategic actions and initiatives

Improve compensation plans

- Develop competitive compensation plans for faculty members, staff members and graduate students
- Incentivize extraordinary achievement with bonuses

Recruit and retain outstanding faculty and graduate students

- Recruit endowed chairs and increase national academy membership to 3
- Hire or retain strong interdisciplinary leaders for *Pillars and Platforms*
- Add a minimum of 25 new faculty each year in *Pillars*
- Cluster-hire interdisciplinary teams in *Pillars*
- Develop strategies to identify and recruit outstanding graduate students

Implement a "customer service" approach to supporting faculty scholarship

- Create a "one-stop-shop" for sponsored programs: proposal development; legal; pre- and post-awards
- Assist faculty with development of research compliance documents
- Assist faculty with identifying and protecting intellectual property
- Develop service functions in core facilities

Develop a capacity to promote economic development

- Develop an Office of Economic Development to partner with private sector entities interested in FAU's research and development efforts, as well as workforce development
- Identify opportunities for development on joint-use capital assets
- Leverage relationships with the FAU Research Park to promote development of start-up corporations that mutually benefit the private sector and the University

Grow the research enterprise

- Increase annual extramural research expenditures to \$100M
- Ensure mentoring strategies for faculty
- Build key partnerships with other universities/institutes/centers
- Allocate research space by institutional priority and research productivity
- Create multi-user facilities with cutting-edge equipment
- Define the focus of the College of Medicine and its community-based academic and research activities, according to established *Pillars*
- Promote international faculty research opportunities

Place

Deep engagement with South Florida's global communities

The University will deeply engage the South Florida region by aligning programs with the unique cultural, demographic and environmental characteristics of each of the campus communities. As a national institution, FAU will build on its sense of place to enhance its physical spaces and develop competitive facilities. Accordingly, the University will expand upon both its "outreach" and "in-reach" efforts by building partnerships that benefit all engaged parties.

Strategic actions and initiatives

Institutionalize a culture of collaborative and experiential engagement with community partners that recognizes and values the dynamic and reciprocal exchange of knowledge, ideas, and resources to identify community concerns, build consensus, implement resolution and evaluate success.

- Create and maintain an infrastructure that will encourage and support faculty, staff, and student engagement with the community through community-based research, volunteerism, and service initiatives
- Achieve the Carnegie Foundation for the Advancement of Teachings' classification as a community engaged institution by 2020
- Build and grow creative programs that teach pre-collegiate youth critical thinking and leadership skills that prepare them for success in college, stimulate innovation and entrepreneurial skills, and support workforce and economic development in FAU's regional and global communities
- Establish a responsive program and outcome delivery system that provides support to faculty and staff in the delivery of public service and pre-collegiate programs
- Establish an award/reward system that celebrates faculty, staff, and student participation in exemplary and sustained community activities that build partnerships and advance the institution and community
- Complement academic learning by preparing collegiate and pre-collegiate students for success in life through employability skills and life skills developed by involvement in public service, while integrating these experiences into the curriculum

Develop or update a new Master Plan for each campus and site that provides a framework to guide the decisions on where to locate the university's research, teaching, residential, athletic, and recreational priorities and programs

- Integrate the following into a comprehensive plan: programmatic needs, exterior architecture, branding, landscaping, utility planning, roadways, parking, security, technology, and building conditions
- Conduct a space survey to determine current utilization and how physical resources should be used to best support student life, academics, and scholarship providing for university growth by campus locations
- Build and renovate buildings and exterior spaces based on strategic priorities—identifying those project priorities in the annual Capital Improvement Plan (CIP) and strategically using private and Public Education Capital Outlay (PECO) dollars according to the following ranking of need: 1- life safety, 2 - maintenance and repairs, 3 - lab and instructional needs, and 4 - aesthetic improvements
- Maintain the University's green-space and other exterior spaces that promote a campus experience that is safe and aesthetically appealing
- Develop an institution-wide safety and security plan to enhance campus environments and enrich the academic experience
- Enhance technology infrastructure to promote research and education
- Partner with the private sector to expand the university's academic mission and student life

Build out the capabilities of FAU's branch campuses

- Promote national recognition of Harbor Branch Oceanographic Institute
- Craft an internationally recognized STE(A)M Honors college on the Jupiter campus and collaborate with key partners to build global research capacity in life sciences alongside comprehensive educational offerings
- Promote ocean engineering research and training at Dania Beach
- Promote and develop the academic mission of the Davie and downtown Fort Lauderdale campuses

Partner with host communities to redevelop areas directly adjacent to campuses

- Focus growth on pedestrian-friendly experiences for residential students

Quality

Continuously-assessed and evolving best practices

The ten-year objective is to constantly improve organizational effectiveness through the use of best practices in supply-chain and logistics management. FAU will advance itself as a resilient, lean organization that identifies economies of scale and incorporates new technologies to promote institutional growth and decision making.

Strategic actions and initiatives

Identify current and future campus leaders to engage in professional development opportunities

Leverage the technical expertise of staff members and encourage staff participation in operational improvements

Centralize areas to promote efficiency and effectiveness in

- Student engagement
- Facilities management
- Institutional advancement
- Information technology
- Communications

Develop assessment tools

- Track progress toward broad goals using sophisticated Dashboards
- Develop assessment tools across all programs and units
- Benchmark each part of the plan and document progress
- Implement a comprehensive post-tenure review policy, in consultation with a faculty committee, to document sustained performance of assigned duties, to acknowledge achievements, and to hold faculty members accountable for high performance standards.

Brand

National reputation for excellence

Florida Atlantic University in 2025 will be a strong brand. The University will develop a preeminent internet presence and implement comprehensive global marketing by linking key internal and external constituency groups.

Strategic actions and initiatives

Formulate an eGlobal marketing plan that aggressively seeks recognition for accomplishments of faculty, staff and students

Develop “brand centers” on all campuses that promote engagement with surrounding communities and clearly communicate the strategic strengths of the institution and its stakeholders

Create an innovative branding and community outreach program that tells the Florida Atlantic story and engages FAU with the local community

Build partnerships with internationally recognized academic brands

Develop an Athletics brand that clearly communicates with a national audience

Strategy

Wise and innovative allocation of resources

The University will “budget to the plan” by allocating resources in a manner that falls in line with the Mission and Vision of the University, as well as this document and its *Pillars and Platforms*. Moving forward, FAU will pursue new, diversified revenue streams in order to make itself a thriving and self-reliant organization in the midst of competitive public and private funding opportunities.

Strategic actions and initiatives

Develop external funding framework to permanently sustain *Pillars and Platforms*

Identify diversified revenue opportunities

- Explore a ten-year capital campaign
- Request additional state support to underpin our continued improvement to the State’s performance metrics and metrics of this Strategic Plan (see addendum A: FAU 100).
- Enhance the donor base

- Develop premier donor stewardship experiences
- Embrace legacy donors
- Grow alumni participation and giving rates
- Engage faculty and staff in efforts to learn about and promote fundraising
- Build the institutional endowment
- Strengthen the relationship between FAU Foundation and the University
- Centralize the management of the development staff
- Compete aggressively for state performance funds
- Develop very strategic legislative budget requests
- Strengthen state and federal relations
- Increase departmental generated revenue
- Increase research expenditures
- Increase athletic and academic event ticket sales
- Increase “market-rate” programs across the University
- Increase out-of-state and international enrollment
- Increase revenue from distance education
- Structure summer as a comprehensive semester
- Develop appropriate research indirect costs collection policies
- Sell real estate assets no longer needed
- Eliminate low enrollment programs according to guidance from Board of Governors’ academic coordination workgroup
- Adjust faculty workloads to appropriately reflect productivity in the areas of teaching, research, and service

Explore divestment opportunities

- Reduce personnel costs in non-strategic areas
- Improve competitive bid process
- Work with private sector to build housing as needed near campuses
- Explore selective retirement programs
- Reduce ‘transaction costs’
- Streamline administrative procedures
- Create student internships where appropriate instead of full-time staff

Assessment and Sustainability

This plan becomes the primary annual evaluation tool for the President, each Vice President, and their direct reports. In order to ensure the University’s competitiveness in the national *race to* excellence, the plan will be systematically implemented with a sense of urgency. Annually, the institution will review the following performance indicators, along with progress towards specific targets.

The resulting plan will use Specific, Measurable, Assignable, Realistic, and Time-related (SMART) metrics, as defined below:

- Specific – targeted areas for improvement
- Measurable – quantifiable progress
- Assignable – identifiable leadership
- Realistic – results are achievable
- Time-related – deadlines for progress

At the institutional level (see following pages):

- State and national standardized metrics will aid in the assessment of the University's holistic advancement towards national recognition.
- Use Florida Atlantic's ranking in US News and World Report as an external verification of our elevation of performance and brand recognition (see addendum A: FAU 100).

At the operational level:

- Individuals responsible for implementation will identify, collect, verify, analyze, and archive the data to assess their progress.

This plan must remain flexible in its approach to strategic actions and initiatives, so that Florida Atlantic is able to react to changes in the external and internal environments. Likewise, the concept of *Pillars and Platforms* can continuously evolve to meet institutional priorities. Interdisciplinary programs and activities will be included in the *Pillars and Platforms* as they rise to prominence at the University. The faculty, staff, and students will then have the opportunity to develop new and existing programs into institutional *Pillars and Platforms*.

Institutional Performance Metrics

State University System of Florida - Board of Governors (BOG) Metrics

FAU Performance 2013-2014

Percent of Bachelor's Graduates Employed and/or Continuing their Education Further 1 Year after Graduation	74%
Median Average Wages of Undergraduates Employed in Florida 1 Year after Graduation	\$36,000
Average Cost per Undergraduate Degree to the Institution	\$27,690
Six Year Graduation Rates (Full-time and Part-time First-Time-In-College)	45%
Academic Progress Rate (2nd Year Retention with GPA above 2.0)	66%
Bachelor's Degrees Awarded in Areas of Strategic Emphasis (includes STEM)	55%

University Access Rate (Percent of Undergraduates with a Pell Grant)	41%
Graduate Degrees Awarded in Areas of Strategic Emphasis (includes STEM)	55%
Percent of Bachelor Degrees Without Excess Hours	73%
Bachelor's Degrees Awarded to Minorities	43%

US News and World Report (US News)***FAU Performance
2013-2014***

US News High School Counselor Reputation Score	3
Student-to-faculty Ratio	24
SAT Score Median	1045
First-Time-In-College (FTIC) Students in Top 25% of High School Graduate Class	37%
Admissions Selectivity (Percent Admitted)	48%
Retention Rate (Full-Time)	77%
US News Academic Peer Reputation Score	2.1
Percent of Faculty Who Hold Full-Time Appointments	84%
Percent of Students Living in Affiliated Housing	6%
Admissions Yield (Percent Enrolled)	29%
Percentage of Alumni Who Participate in Annual Fund	5%
6-Year Graduation Rate (Full-Time)	41%

Integrated Postsecondary Education Data System (IPEDS)***FAU Performance
2013-2014***

Percentage of Undergraduates Who Attend Full-Time	62%
Percentage of Out-of-State First-Time-In-College Students	13%
Percentage of International Students	2%
Undergraduate Headcount	25,790
Graduate Headcount	4,969
Master's Degrees Awarded	1,355
Doctoral Degrees Awarded	128
Sustainability Index (Percentage of Revenue from State Appropriations)	27%
Research Expenditures	\$28.1M
Number of First-Time-In-College Applicants	17,358
First-Time-In-College Headcount	3,479
Distance Education Headcount	6,467
Endowment/Headcount (Value at the End of the Fiscal Year)	Pending

National Science Foundation (NSF)

***FAU Performance
2013-2014***

Federal Obligations	Pending
Number of Postdoctoral Appointments	Pending



A Strategic Plan for the Race to Excellence, 2015-2025

Alignment of State University System & FAU Goals

Performance Indicator	SUS 2025 Target (revised 2014)	FAU Target (BOT-approved)
1) National Ranking for Universities	1 in Top 10 Liberal Arts 1 in Top 10 Nation 1 in Top 11-25 Nation 2 in Top 25-50 Nation	<i>U.S. News & World Report</i> Top 100 Public (FAU100, 2018)
2) Freshman in Top 10% of Graduating High School Class	50%	50% – 2025 target (<i>Race to Excellence, 2015-2025</i>)
3) Professional Licensure & Certification Exam Pass Rates Above Benchmarks	All Exam Pass Rates Above Benchmarks	All Exam Pass Rates Above Benchmarks – 2021 target (<i>FAU Accountability Plan, 2018</i>)
4) Percent of SUS courses bearing a “high-quality” rating in the Florida Virtual Campus online catalog	90%	90% or equivalent classification (<i>Pending</i>)
5) Average Time To Degree (for FTIC in 120hr programs)	4.0	4.5 – 2021 target (<i>FAU Accountability Plan, 2018</i>)
6) Four-Year Graduation Rates (for Full- and Part-time FTIC)	50%	48% – 2025 target (<i>Race to Excellence, 2015-2025</i>)
7) Six-Year Graduation Rates (for Full- and Part-time FTIC) PBF: ALL	70%	70% full-time FTIC – 2025 target (<i>Race to Excellence, 2015-2025</i>)
8) Percent of Bachelor’s Degrees Without Excess Hours PBF: ALL (except FSU, UF)	80%	80% – 2025 target (<i>Race to Excellence, 2015-2025</i>)
9) Bachelor’s Degrees Awarded Annually PBF: UCF	90,000	5,809 – 2021 target (<i>FAU Accountability Plan, 2018</i>)

* Targets approved by the Florida Atlantic University Board of Trustees, such as in FAU’s *Accountability Plan, 2018* and FAU’s *Strategic Plan for the Race to Excellence*

Performance Indicator	SUS 2025 Target (revised 2014)	FAU Target (BOT-approved)
10) Graduate Degrees Awarded Annually	35,000	1,722 – 2021 target (FAU Accountability Plan, 2018)
11) Bachelor's Degrees Awarded to African-American & Hispanic Students PBF: FAU, FGCU, FIU	36,000 (40%)	48% – 2025 target (Race to Excellence, 2015-2025)
12) Number of Adult (Aged 25+) Undergraduates Enrolled PBF: UWF	75,000 (21%)	24% – 2021 target (FAU Accountability Plan, 2018)
13) Percent of Undergraduate FTE in Online Courses	40%	35% – 2025 target (Race to Excellence, 2015-2025)
14) Number of Institutions with at least 30% of Fall Undergraduates Receiving a Pell Grant (Related to University Access Rate) PBF: ALL	All Institutions Above 30%	41% – 2025 target (Race to Excellence, 2015-2025)
15) Academic Progress Rate (2nd Fall Retention with GPA\geq2) PBF: ALL	90%	90% – 2025 target (Race to Excellence, 2015-2025)
16) Bachelor's Degrees in Programs of Strategic Emphasis (Categories Include: STEM, Health, Education, Global, and Gap Analysis) PBF: ALL	45,000 (50%) (after 2012-13 revision)	55% – 2025 target (Race to Excellence, 2015-2025)
17) Bachelor's Degrees in STEM & Health (Percent of Bachelor's Total)	30,000 (35%) (after 2012-13 revision)	33% – 2021 target (FAU Accountability Plan, 2018)

Performance Indicator	SUS 2025 Target (revised 2014)	FAU Target (BOT-approved)
18) Graduate Degrees in Programs of Strategic Emphasis (Categories Include: STEM, Health, Education, Global, and Gap Analysis) PBF: ALL (except NCF)	18,200 (60%) (after 2012-13 revision)	63% – 2025 target (<i>Race to Excellence, 2015-2025</i>)
19) Graduate Degrees in STEM & Health (Percent of Graduate Total)	15,200 (50%) (after 2012-13 revision)	45% – 2021 target (<i>FAU Accountability Plan, 2018</i>)
20) Faculty Membership in National Academies	75 (based on 2011)	6 – 2025 target (<i>Race to Excellence, 2015-2025</i>)
21) Faculty Awards PBF: FSU, UF	75 (based on 2011 data)	4 – Fall 2019 target (<i>FAU Accountability Plan, 2018</i>)
22) Percent of Undergraduate Seniors Assisting in Faculty Research --- or --- Percent of Undergraduates Engaged in Research PBF: NCF	TO BE DETERMINED Board staff will work to develop a standard definition for this metric across the System.	TBD
23) Total R&D Expenditures PBF: UF	\$2.29B (based on 2012-13)	\$200M – 2025 target (<i>Race to Excellence, 2015-2025</i>)
24) Percent of R&D Expenditures funded from External Sources PBF: FAMU	71% (based on 2011-12)	63% – 2021 target (<i>FAU Accountability Plan, 2018</i>)
25) Number of Patents Awarded Annually	410 (based on 2013)	4 – 2021 target (<i>FAU Accountability Plan, 2018</i>)
26) Number of Licenses and Options Executed Annually	270 (based on 2011-12)	26 – 2020 target (<i>FAU Accountability Plan, 2018</i>)
27) Number of Start-Up Companies Created	40	3 – 2020 target (<i>FAU Accountability Plan, 2018</i>)

Performance Indicator	SUS 2025 Target (revised 2014)	FAU Target (BOT-approved)
28) Number of Universities with the Carnegie Foundation's Community Engagement Classification	All	FAU will apply to receive the Carnegie Foundation for the Advancement of Teachings' "Community Engaged" Classification in Spring 2019. Designation will be announced in January 2020. <i>(Race to Excellence, 2015-2025)</i>
29) Percentage of Baccalaureate Graduates Continuing Education or Employed PBF: ALL	90%	83% – 2025 target <i>(Race to Excellence, 2015-2025)</i>



Alignment of Priorities

State University System Goals	Excellence	Productivity	Strategic Priorities
Teaching & Learning	Strengthen Quality & Reputation of Academic Programs and Universities	Increase Degree Productivity and Program Efficiency	Increase the Number of Degrees Awarded within Programs of Strategic Emphasis
Scholarship, Research & Innovation	Strengthen Quality & Reputation of Scholarship, Research, and Innovation	Increase Research Activity and Attract More External Funding	Increase Commercialization Activity
Community & Business Engagement	Strengthen Quality & Recognition of Commitment to Community and Business Engagement	Increase Community and Business Engagement	Increase Community and Business Workforce

FAU Strategic Plan Goals	Excellence	Productivity	Strategic Priorities
Boldness <i>A uniquely competitive and globalized student body</i>	"Recruit and retain nationally competitive students" (p. 6) – and "become the national model for diversity of the student body" (p. 7)	"Develop an academic support structure for timely student graduation" (p. 7)	"Increase enrollment in Board of Governors' areas of strategic emphasis" (p. 6)
Synergy <i>Prominent teams of researchers and scholars</i>	"Recruit and retain outstanding faculty and graduate students" (p. 8)	"Invest in focused <i>Pillars</i> and <i>Platforms</i> to enhance interdisciplinary teams" (p. 8) – and "grow the research enterprise" (p. 9)	"Develop a capacity to promote economic development" (p. 9)
Place <i>Deep engagement with South Florida's global communities</i>	"Institutionalize a culture of collaborative and experiential engagement with community partners" (p. 9)	"Create and maintain an infrastructure that will encourage and support faculty, staff, and student engagement with the community" (p. 9)	"Support workforce and economic development in FAU's regional and global communities" (p. 10)

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Strategic Planning Committee
November 8, 2018**

SUBJECT: Florida Atlantic University “FAU 100” Legislative Budget Request

PROPOSED COMMITTEE ACTION

Consider approval of the Florida Atlantic University “FAU 100” Legislative Budget Request

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Florida Atlantic University has submitted for consideration to approve a \$16.3M “FAU 100” Legislative Budget Request. The University states that the LBR will “rocket the institution onto the national stage as the fastest-improving public research university in the country” and “accelerate its improvement to join the list of *US News and World Report’s* Top 100 Public Universities.” The request indicates that FAU has set performance targets by averaging the outcomes of universities ranked in the fourth quartile of the *US News and World Report* list of Best Colleges, and that upon meeting those goals, FAU will be performing at rates consistent with the Top 100 public universities in the nation. The target year is 2025.

If approved by the Strategic Planning Committee, the Legislative Budget Request will be forwarded to the Budget and Finance Committee for consideration.

Dr. John Kelly, President of FAU, will provide an overview of the request.

Supporting Documentation Included:	“FAU100” Legislative Budget Request
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Facilitators/Presenters:	Dr. John Kelly
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**State University System
Education and General
2019-2020 Legislative Budget Request
Form I**

University(s):	Florida Atlantic University
Issue Title:	FAU100
Recurring Funds Requested:	\$16.3M
Non-Recurring Funds Requested:	\$0
Total Funds Requested:	\$16.3M
Please check the issue type below:	
Shared Services/System-Wide Issue for Fiscal Year 2019-2020	<input type="checkbox"/>
Unique Issue for Fiscal Year 2019-2020	<input checked="" type="checkbox"/>

- I. Description** – 1. Describe the service or program to be provided and how this issue aligns with the goals and objectives of the strategic priorities and the 2018 University Accountability Plan established by your institution (include whether this is a new or expanded service/program). If expanded, what has been accomplished with the current service/program? 2. Describe any projected impact on academic programs, student enrollments, and student services.

Florida Atlantic University seeks \$16.3M to accelerate its journey towards becoming a Top 100 ranked public university according to US News & World Report's list of Best Colleges.

This request builds on Florida Atlantic University's *Strategic Plan for the Race to Excellence, 2015-2025*, which outlines the ambitious effort to rocket the institution onto the national stage as the fastest-improving public research university in the country. Since embarking on this journey almost 4 years ago, FAU has seen rapid success by building on the strength of institutional pillars and platforms. The combination of FAU's increasingly strong academic performance bolstered by an outstanding athletics program has thrust the university into the national spotlight.

As described in the university's 2018 accountability plan that was submitted to the Board of Governors, the university plans to continue to leverage the inherent strengths of its diverse, vibrant student body and its unique geographic location to build a national brand for excellent academic offerings and research programming.

2019-2020 LBR

Already, the university has seen sustained progress in terms of student success and research expenditures, setting the stage for this request.

Specifically, in the past five years, the university has showcased a commitment to excellence and access by:

- increasing the four-year graduation rate by 7%
- increasing the six-year graduation rate by 10%
- increasing the retention of freshmen with a GPA above 2.0 by 10%
- nearly doubling research expenditures to an estimated \$65M (FY18)
- earning national recognition for undergraduate research programs
- winning Conference USA titles in baseball, softball, and football
- consistently ranking nationally as a top producer of minority degrees
- becoming federally-designated as a Hispanic Serving Institution

Throughout the nation, most universities struggle to maintain a commitment to access for diverse populations while improving many of these student success measures. FAU is unique because it has managed to monitor and support the enrollment growth of underrepresented ethnic and racial groups. Simply put – FAU serves all of the state of Florida. The demographics of the school’s student body closely mirror the racial and ethnic backgrounds of the state as a whole, arguably more so than any other institution in the system.

Furthermore, minority students thrive at the university. Historically at FAU, 6-year graduation rates for Black students (55.8%) and Hispanic students (51.9%) have been higher than the overall university graduation rates (50.7%). Many other large, public research universities in the country find it difficult to match FAU’s record of access to under-represented minorities while at the same time exponentially improving quality in a number of measures.

Importantly, FAU has accomplished so much without significant new investments from the state, aside from funds earned through its enhanced and continual improvement in the state’s performance-based funding model. After enacting many years of efficiencies, FAU has redesigned itself as a resilient and lean organization that achieves at high rates. A significant investment would catalyze more improvements, as outlined in this request.

FAU100 – The university seeks resources to accelerate its improvement and join the list of *US News and World Report’s* Top 100 Public Universities.

The overarching goals of FAU100 are reflected in the key initiatives and investments reported to the Board of Governors in June 2018. Two of the primary areas of focus for the university draw directly on FAU’s 2025 strategic plan, including the commitment to build a sense of *boldness* through student success and *synergy* through prominent teams of researchers. These goals form the bedrock for the 2025 strategic plan, the 2018 accountability plan, and the development of the FAU100 plan that is detailed below.

The costs of excellence

In essence, the plan for FAU100 organizes these ambitions around the clear, concise, and quantifiable target of becoming a Top 100 public university.

In order to ascend in the rankings, FAU will need to invest in the following:

Boldness - a uniquely competitive and globalized student body		Synergy - prominent teams of researchers and scholars.		Brand - a national reputation for excellence and accountability	
Undergraduate recruitment scholarships	\$3M	Instructional / research faculty	\$4M	Benchmarking platform	\$200K
Graduate student stipends and benefits	\$3M	Annual research seed grant funding	\$3M	Peer institution engagement campaign	\$100K
Expanded summer term and 3-year degrees	\$1M	Infrastructure and core facilities	\$2M		

Total Request: \$16.3 Million Recurring

The spending plan for this legislative budget request is rooted in national best practices, as well as proven institutional practices. The benefits of such allocations are intended to, broadly, enhance the experience of FAU's students (both undergraduate and graduate), its research enterprise, and the factors related to institutional peer recognition throughout the country.

Expenditures will generally fall under the following categories:

Boldness – a uniquely competitive and globalized student body

Undergraduate recruitment scholarships will help the institution recruit the highest-achieving first-time-in-college students who have many options and need competitive financial aid packages in order to make their decisions. These students are already applying to the institution at high rates, and FAU believes that robust merit-based scholarship offers could help increase the number of students who choose to enroll. Furthermore, enhancing these recruitment packages will also positively impact a number of measures in the *US News* methodology. These indicators include test scores and high school class rank of the freshmen class, retention rate, and 6-year graduation rate. Institutions can also very quickly improve on the graduation rate performance metric, which calculates “overperformance” based on predicted graduation rates versus the actual rates. Students who have high records of achievement and who are most likely to need additional recruitment funding

are also the individuals who will respond well to the comprehensive student success networks that FAU has launched throughout the past five years.

Graduate student stipends and benefits will provide critical support to master's, specialist, and doctoral students at FAU. Graduate students play an integral role in the undergraduate experience through their teaching of courses and mentorship in research. By enhancing the recruitment packages for graduate students (such as higher stipends and the addition of health insurance coverage), FAU will indirectly enhance its undergraduate experience and the overall reputation of the institution.

Expanded summer term and 3-year degree programs will enable the university to reduce its time-to-degree and accelerate graduation rates. Having adequate offerings in the summer is essential to ensuring students can progress and complete their degrees in a timely fashion. FAU's strategic plan calls for a comprehensive third semester in the summer, mostly so that students will not fall behind if they need to retake courses or spread their full-time studies throughout three semesters instead of just the traditional fall and spring.

Synergy – prominent teams of researchers and scholars

Instructional/research faculty hiring is perhaps the most crucial portion of this proposal. Lowering the student-faculty ratio and paying competitive salaries are two significant strategies for any institution attempting to enter into the Top 100 public universities. Hiring will follow the explicit priorities of the state and the university as outlined in FAU's strategic plan, in order to ensure that areas of strategic emphasis are grown and enhanced. Currently, the university is exploring many new degree programs that will completely rely on new faculty members, particularly in the areas of health, neurotechnology, and biomedical engineering. By focusing future hiring efforts on institutional pillars and platforms, FAU will be in line with critical workforce needs and cutting-edge interdisciplinary issues that require the attention of researchers.

Annual research seed grant funding will contribute directly to the university's growing research expenditures, while simultaneously catalyzing further external funding rates. Research expenditures, along with many other kinds of institutional spending, make up 10% of the overall ranking methodology for the *US News* list. In addition to positively influencing the amount of financial resources that FAU dedicates per student, this allocation can also serve as much-needed start-up funding for the recruitment of new faculty members (both new personnel lines and replacement personnel lines).

Infrastructure and core facilities will require upgrade and, in many cases, replacement in order to achieve Top 100 status. Recruiting the most talented and accomplished faculty members often requires significant capital investments, which the university will make in strategic ways such as future improvements to its academic library facilities and planned STEM/Life

Science facility development at FAU's campus Jupiter. In order to best leverage the state's existing investments in private research institutes Scripps Florida and Max Planck Florida Institute for Neuroscience that are co-located on the Jupiter campus, the university must serve as a strong partner with its own excellent facilities. The strategic plan outlines a need for institution-wide shared equipment through core facilities, which can be used by FAU faculty as well as external entities. In addition to helping with faculty recruitment (again, reducing the student-faculty ratio), such important strides in research will greatly impact FAU's national reputation.

Brand – a national reputation for excellence and accountability

A benchmarking platform will be necessary in order to obtain the proprietary data and ranking information that can expedite the improvement of FAU's standing on the *US News* Top 100 list. The university has a strong culture of making data-based decisions, and these types of tools can serve as the fuel for rapid acceleration in the assessment and planning processes.

A peer institution engagement campaign will empower FAU to share how the state of Florida invested in performance funding and inspired an institution to transform itself over the course of the past five years. FAU is an excellent example of installing best practices and using common sense solutions to maximize the efficiency of its operations. Most importantly, the university has been able to accomplish so much in terms of academics and research – all while maintaining a laser focus on its role of serving minority students. The university should share its success story of how underrepresented minorities outperform the overall graduation rates at the institution. That, in light of the incredible mix of backgrounds and ethnicities that make up the student body, makes FAU a very special institution that could teach very valuable lessons on a national stage. Spreading the good work of the university will have positive ramifications for the institution as well as the state as a whole.

FAU100 leverages the state's prior investments in performance-based funding and accountability.

Already, FAU is recognized by *US News* for many of its degree programs, such as the following:

- #24 Graduate Rehabilitation Counseling
- #32 (tie) Masters of Science in Nursing
- #39 (tie) Online Graduate Nursing
- #42 (tie) Online MBA
- #43 (tie) Online Non-MBA Graduate Business
- #54 Doctor of Nursing Practice
- #83 (tie) Online Graduate Education

- #87 Graduate Public Affairs, and
- Highest-scoring public university in Florida on the *US News Campus Ethnic Diversity Index* (.69 out of 1.0, which ties for #26 in the nation)

II. Return on Investment - Describe the outcome(s) anticipated, dashboard indicator(s) to be improved, or return on investment. Be specific. For example, if this issue focuses on improving retention rates, indicate the current retention rate and the expected increase in the retention rate. Similarly, if the issue focuses on expanding access to academic programs or student services, indicate the current and expected outcomes.

The return on investment (ROI) for this initiative will largely fall under the categories represented in the methodology for *US News and World Report's* list of Best Colleges (graduation and retention rates, undergraduate academic reputation, faculty resources, student selectivity, financial resources, alumni giving, and graduation rate performance).

To operationalize this proposal, the university will use its existing institutional performance indicators from the 2025 strategic plan to monitor progress. In this plan, the institution has adopted a number of key performance indicators that provide insights regarding the direction of the university's scoring in these aforementioned areas. Together with Florida Board of Governors' metrics from the preeminence and performance-based funding models, and with standard Integrated Postsecondary Education Data System (IPEDS) data points, these measurements will form benchmarks for achieving success with this legislative budget request.

In regards to specific goals for these measurements, FAU has set 2025 performance targets by averaging the outcomes of universities ranked in the fourth quartile of the *US News and World Report* list of Best Colleges. Upon meeting these goals, the university will perform at rates consistent with the Top 100 public universities in the nation.

Below are sample measures, including baseline data from 2014, the most recently-available validated data from 2017, and targets for 2025. While there is more than ample room for improvement in the below indicators, already there has been marked success in most cases. These particular indicators, while not necessary the lagging measures that *US News* will use in its ranking methodology, are often instead leading indicators of future success (e.g. the Board of Governors' definition of academic progress rate as opposed to the IPEDS/*US News* definition of retention, the 4-year graduation rate that the Board of Governors uses rather than the 6-year graduation rate).

Retention 2.0+ GPA	4-year graduation rate	Research expenditures	Alumni giving rate
2014: 66%	2014: 20%	2014: \$28M	2014: 5%

2019-2020 LBR

→ 2017: 78%

→ 2025: 90%

→ 2017: 27%

→ 2025: 48%

→ 2017: \$46M

→ 2025: \$200M

→ 2017: 5%

→ 2025: 13%

Access to excellence – minority student success

FAU is already nationally recognized as a Top 100 university in terms of producing undergraduate and graduate degrees for minority students, according to *Diverse: Issues in Higher Education*. In 2017, FAU ranked:

- #10 in bachelor's degrees awarded to African American students
- #32 in bachelor's degrees awarded to Hispanic students
- #33 in bachelor's degrees awarded to all minority students

Additionally, the university ranked in the Top 100 in terms of master's degrees and total graduate degrees awarded to African American, Hispanic, and all minority students, as well as doctorates awarded to Hispanics.

These rankings all improved over prior years, which is reflective of the overall growth in proportion of undergraduate degrees that FAU produces. In 2014, only 44% of bachelor's degrees were awarded to minority students (using the Board of Governors' definition that only includes Hispanic and African American students). That number is now at 47%, and the FAU100 plan calls for 50% of all undergraduate degrees to be awarded to minorities. The university has built sustainable enrollment pipelines of historically underrepresented minority students through targeted recruitment efforts.

The intent is to build on this continued success, particularly in terms of time-to-degree. Already at FAU, minorities graduate at faster rates than all other students within six years. This plan calls for directing academic support to minority students to make the same claim for the 4-year rate.

Enhancing the State of Florida's reputation for research and excellence

Despite the fact that Florida is the third most populous state in the country, according to the National Science Foundation (NSF), the state only ranks 8th in federal research expenditures and 19th in industry R&D expenditures (<https://www.nsf.gov/statistics/2018/nsb20181/data>). The responsibility for positively impacting this figure has fallen on the backs of a select few preeminent institutions, as well as those that are designated as very-high research institutions in terms of their Carnegie Classifications by the Center for Postsecondary Research. This plan thrusts FAU forward from its current designation as a high research institution, helping the state with its standing in research funding, and stimulating the economy as it does so.

The National Institutes of Health (NIH) estimate that every "\$1.00 increase in public basic research stimulates an additional \$8.35 of industry R&D

2019-2020 LBR

investment after 8 years” (<https://www.nih.gov/about-nih/what-we-do/impact-nih-research/our-society>). With the 2025 target of FAU reaching \$200M in research expenditures, which is \$172M increase from the baseline, the university projects that its efforts to expand its research enterprise will result in approximately \$1.4 billion impact in private sector R&D by 2033.

This particular formula does not take into account the economic impact of the increased numbers of degrees awarded at a more efficient pace, or the likewise precipitous rise in the region’s tertiary economy that supports the university, its employees, and its students. The exponential impacts of building a national university in the region are much more difficult to quantify. As the state builds yet another nationally-recognized university, its residents will also feel the impact with ancillary industries and high-paying jobs that co-locate with such institutions.

III. Facilities *(If this issue requires an expansion or construction of a facility, please complete the following table.):*

	Facility Project Title	Fiscal Year	Amount Requested	Priority Number
1.	N/A	N/A	N/A	N/A



2019-2020 LBR



STATE
UNIVERSITY
SYSTEM
of FLORIDA
Board of Governors

AGENDA
Budget and Finance Committee
Live Oak Pavilion
Student Union
Florida Atlantic University
777 Glades Road
Boca Raton, Florida 33431
November 8, 2018
2:15 p.m. – 3:00 p.m.

or
Upon Adjournment of Previous Meetings

Chair: Mr. Syd Kitson; Vice Chair: Mr. H. Wayne Huizenga, Jr.
Members: Cerio, Lautenbach, Salerno, Valverde, White

- | | | |
|-----------|--|---|
| 1. | Call to Order and Opening Remarks | Governor Syd Kitson |
| 2. | Minutes of Committee Meeting
Minutes: September 13, 2018
October 16, 2018 | Governor Kitson |
| 3. | Performance-Based Funding Model | Governor Kitson
Mr. Tim Jones
<i>Vice Chancellor for
Finance and Administration</i> |
| 4. | 2019-2020 Legislative Budget Request Update | Governor Kitson |
| 5. | University Carryforward | Governor Kitson |
| 6. | Concluding Remarks and Adjournment | Governor Kitson |

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Budget and Finance Committee
November 8, 2018**

SUBJECT: Minutes of Committee Meetings held September 13, 2018, and October 16, 2018

PROPOSED COMMITTEE ACTION

Approve the minutes from the meetings held on September 13, 2018, and October 16, 2018.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Committee members will review and approve the minutes of the meeting held on September 13, 2018, at the New College of Florida and October 16, 2018, at the University of South Florida.

Supporting Documentation Included: Minutes: September 13, 2018
October 16, 2018

Facilitators/Presenters: Governor Syd Kitson

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
BUDGET AND FINANCE COMMITTEE
NEW COLLEGE OF FLORIDA
SARASOTA, FLORIDA
SEPTEMBER 13, 2018

*Video or audio archives of the meetings of the Board of Governors
and its Committees are accessible at <http://www.flbog.edu/>.*

Mr. Syd Kitson, Chair, convened the meeting of the Budget and Finance Committee at 1:00 p.m. Members present for roll call were Tim Cerio, Wayne Huizenga, Ned Lautenbach, Fred Salerno, Fernando Valverde, and Jalisa White. Other Board members present included Shawn Felton, Darlene Jordan, Alan Levine, Wendy Link, Edward A. Morton, Jay Patel, and Norman Tripp.

1. Call to Order

Mr. Kitson called the meeting to order.

2. Minutes of Committee Meeting

Mr. Lautenbach moved that the Committee approve minutes from the June 27, 2018, meeting. Mr. White seconded the motion, and members of the Committee concurred.

3. Board of Governors Regulations

Mr. Kitson introduced two regulations that are being amended. Each regulation will be considered separately. If approved, the amendments will be publicly noticed for 30 days and final approval would occur at the next board meeting in November.

Mr. Tim Jones introduced Regulation 7.003 – Fees, Fines, and Penalties. The regulation is being amended to conform to House Bill 565 that was signed into law this past session. It requires a university to refund the excess hour surcharged that may have been assessed to a student for up to 12 hours if that FTIC student graduates within four years. Second, we are clarifying that the excess hour's determination shall be based on the degree program in which the student is enrolled and, if they change degree programs, the excess hour's threshold shall be changed accordingly.

Mr. Lautenbach moved that the Committee approve the public notice of intent to amend Regulation 7.003. Mr. Huizenga seconded the motion, and members of the Committee concurred.

Mr. Jones introduced Regulation 9.011 - University Direct Support Organizations and Health Services Support Organization. This regulation is being amended to conform to Senate Bill 4 changes that were signed into law this past session. Changes include 1) requiring boards of trustees to set thresholds for the approval of purchases, acquisitions, projects, and issuance of debt; 2) only funds pledged for capital outlay can be transferred to the direct support organization (DSO); 3) effective July of 2019, and annually thereafter, each university shall report to the Legislature the amount of state funds transferred to a DSO; 4) state funds cannot be used for travel; 5) the chair of the board of trustees shall appoint at least one representative to the DSO board; and 6) personal services used by the DSO are subject to the \$200,000 salary cap currently in statute.

Mr. Lautenbach moved that the Committee approve the public notice of intent to amend Regulation 9.011. Mr. Huizenga seconded the motion, and members of the Committee concurred.

4. 2018-2019 Operating Budgets

The next item on the agenda is the annual approval of university operating budgets. Regulation 9.007 requires the Committee to review and approve the university operating budgets. Mr. Kitson asked Mr. Jones to present this issue.

Mr. Jones presented an overview of the System's operating budget.

Mr. Lautenbach moved that the Committee approve the 2018-2019 university operating budgets as presented. Mr. Huizenga seconded the motion, and members of the Committee concurred.

Mr. Kitson requested Mr. Jones to present the 2018-2019 Board Office operating budget.

Mr. Lautenbach moved that the Committee approve the 2018-2019 Board Office operating budget and authorized the Chancellor to make budgetary changes as necessary to operate the office. Mr. Huizenga seconded the motion, and members of the Committee concurred.

5. New College of Florida Budget Request

Mr. Kitson stated that the Committee will be considering the legislative budget request (LBR) for the 2019 legislative session shortly. Included in the request are some issues being brought forward from other committees that met today. In addition, we have several issues we have requested funding for in prior years and have been successful in receiving support from our elected officials.

Before we get into the LBR discussion, we have a series of legislative budget request presentations. The purpose of these is to get an update on how the university is spending the resources they have already received and to discuss their budget needs for the upcoming session. We are not taking action on these at this time, but will wait for the complete LBR discussion when we are finished.

First up is New College. This Board met with New College officials two years ago and endorsed a three-year funding plan to help grow the institutions enrollments and improve student services. They have been successful in receiving funding for the first two years totaling \$9 million and is requesting the final years' funding of \$1.6 million.

President O'Shea gave a PowerPoint presentation to the Committee.

6. FAMU/FSU College of Engineering Budget Request

Chancellor Criser provided the Committee with an overview of the Governance Committee and the work that had been accomplished since 2017.

Dean Murray Gibson gave a PowerPoint presentation to the Committee regarding their \$6.3 million budget request.

7. Florida Gulf Coast University Budget Request

Mr. Kitson stated that last fall some members of this board met at FGCU to hear a presentation on their funding needs and the plan to improve student metrics. FGCU requested and received \$13.8 million during the last session for those initiatives.

President Martin made some opening comments and then Mr. David Vazquez presented a PowerPoint presentation to the Committee regarding their \$12.4 million budget request.

8. 2019-2020 Legislative Budget Request

Mr. Kitson introduced the last item is the consideration; the 2019-2020 legislative budget request for the system and the Board office. The 2019 session begins on March 5 and the LBR must be submitted to the Legislature and Governor on October 15.

Included in your packet is information on a number of issues that staff will be presenting. As Tim walks us through those issues, let's keep in mind that the state does not have unlimited resources and that we need to be thoughtful on the initiatives that we want to pursue on behalf of the system. I will have some comments on a few of these issues.

Mr. Jones presented a PowerPoint presentation with some slides on historical funding by the state. He also presented data showing that Florida is the second lowest state in undergraduate tuition and fees. Mr. Jones then presented the specific legislative budget request issues.

1. Performance-based funding - \$75 M in new state investment
2. New College - \$1.6 M; FAMU/FSU College of Engineering - \$6.4 M; and Florida Gulf Coast University - \$12.4 M

Mr. Kitson encouraged other universities to develop a student/university improvement plan for the Board to consider. He noted that a meeting will be held at Florida Atlantic University to discuss their legislative budget request and the possibility it may be on the agenda for November. It's proven that we work better when we are together. Having schools do end runs, doesn't help the school or the system. We must be united when we approach the legislature on funding initiatives. We have seen positive results when we have done this; just look at New College and FGCU initiatives. These are two examples that members of this Board rallied around and we were successful.

3. Programs of Excellence - \$30 million. This issue was recommended by the Academic and Research Excellence Committee.
4. World Class Scholars - \$20 M. This issue was recommended by the Academic and Research Excellence Committee.
5. Plant Operations and Maintenance - \$27.7 M

Mr. Kitson asked if UCF Colbourn Hall was included in this number. Mr. Jones responded that \$1.3 million in PO&M was requested last year. Mr. Kitson stated that in light of the conversation regarding Colbourn Hall during the Facilities Committee, he did not believe the \$1.3 M PO&M request should be included. The Committee did not object, so the PO&M request was reduced to \$26.4 M.

6. UF-IFAS Workload - \$3.9 M
7. State Fire Marshall Inspections - \$2.3 M
8. Moffitt Cancer Center and IHMC are pass-throughs.

Mr. Kitson noted that with these changes our system request is \$5.2 billion, an increase of \$178 M or 3.5%.

Mr. Huizenga moved that the Committee approve the 2019-2020 legislative budget request for the State University System as presented, less the \$1.3 million in plant operations and maintenance for the UCF Colbourn Hall, and authorize the Chancellor to make technical changes as necessary. Mr. Valverde seconded the motion, and members of the Committee concurred.

Mr. Kitson asked Tim to walk the Committee through the Board General Office legislative budget request.

Mr. Jones presented the Board's legislative budget request and noted an increase of \$543,976, for a total request of \$8.9 million.

Mr. Huizenga moved that the Committee approve the 2019-2020 legislative budget request for the Board General Office as presented and authorize the Chancellor to make technical changes as necessary. Mr. Valverde seconded the motion, and members of the Committee concurred.

9. Concluding Remarks and Adjournment

Mr. Kitson reminded the Committee of the October 16 workshop at the University of South Florida to review the Board's performance-based funding model.

Having no further business, the meeting was adjourned at 2:15 p.m.

Tim Jones, Vice Chancellor
Finance and Administration

Syd Kitson, Chair

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
BUDGET AND FINANCE COMMITTEE
UNIVERSITY OF SOUTH FLORIDA
TAMPA, FLORIDA
OCTOBER 16, 2018

*Video or audio archives of the meetings of the Board of Governors
and its Committees are accessible at <http://www.flbog.edu/>.*

Mr. Syd Kitson, Chair, convened the meeting of the Budget and Finance Committee at 9:07 a.m. Members present for roll call were Tim Cerio, Wayne Huizenga, Fred Salerno (by phone), and Jalisa White. Other Board members present included Shawn Felton, Alan Levine, Wendy Link, Jay Patel, and Norman Tripp (by phone).

1. Call to Order

Governor Kitson called the meeting to order. This is a workshop where we hope to have good dialogue on performance-based funding. I encourage everyone to engage and have good discussion about it because we have a lot to talk about today.

2. Performance-Based Funding

Governor Kitson opened the discussion with a PowerPoint presentation. He provided a refresher on the model and how it works, then reviewed several slides showing the progress that has been made on the metrics since performance-based funding was implemented five years ago.

Governor Kitson asked Mr. Tim Jones to review the items being workshopped.

1. **Setting Deadline for Data Submissions** – The Chancellor sets the final deadline for the submission of data based on legislative session or other factors. This will generally be March 1, but can change depending on other issues. No action is needed on this item.
2. **Schedule of Changes in Common Metrics** – Mr. Jones reviewed the schedule of changes and noted that the Committee discusses changes to the model without knowledge of the most recent data since it is not due to the Board Office until after the October workshop. Mr. Jones introduced an Information Brief in the packet that discusses this issue. No action is needed on this item.
3. **Rounding Data Scores** – For the first two years the model was based on a 50 point scale and then moved to a 100 point scale. When doing this, some of the

benchmarks went to two decimals. This is an area for discussion in the future on rounding the benchmarks.

4. **Metric 1 – Percent of Bachelor’s Graduates Employed or Continuing their Education** – Board Office data now captures students that are active duty military and counts them as being employed while they are also going to school. This is minimal impact to the data as there are less than 100 students system-wide, but it just shows we are getting better with our data collection and tracking our students in whether they are employed or continuing their education. No action is needed on this item.
5. **Metric 10 – Board of Trustees Choice** – This discussion started with the October 2017 workshop. When the model was implemented it was agreed that the choice metrics would be reviewed every five years. The university boards of trustees have presented the metrics they would like to focus on. The plan would be to approve these metrics and set benchmarks so that the first year the maximum score would be 7 points.

The Committee discussed the proposed metrics. There was general support on the proposed trustee choices.

Governor Kitson mentioned Metric 9 - Board of Governors choice and how the Committee may want to review this metric and have metrics more to the universities mission. Chancellor Criser reminded the Committee that changes were made to this metric for three schools last year.

There was discussion regarding the Board Choice metric – Excess Hours. It may be important to continue this metric to help drive down the cost to the student which is measured in Metric 3.

6. **New Allocation Methodology** – Mr. Jones reviewed the current methodology. The proposed methodology would:
 - a. Eliminate the bottom 3 requirement.
 - b. Leave the 51 point threshold in place to receive the institutional investment. Schools below this threshold would have to do an improvement plan.
 - c. The top 3 schools, including ties, would receive 100% of their prorated allocation of the state investment.
 - d. Universities that increase their score, over the last year, would receive 100% of their allocated state investment.
 - e. University scores that decrease two consecutive years, would be eligible for 100% of their state investment, but would have to do a student success plan. Half of the money would be released when they presented a plan to the Board and it was approved. In March they would present an update

and if they succeeded, they could receive the balance of their state investment.

- f. Starting in 2021-2022, if a university is below 70 points they would only be eligible for 50% of their state investment. Before the university could receive the state investment they will have to do a student success plan under the same timeframe as previously mentioned.

The Committee discussed the proposed plan. There was general consensus that this was a good change to the current methodology.

3. Concluding Remarks and Adjournment

Governor Kitson presented a plan regarding the use of carryforward funds. He noted that as of August 2018, there was \$814 million in carry forward funds. Of that, \$246 million is required for the 5% reserve and \$290 million has been identified as restricted/contractual obligations. That leaves \$289 million identified that is unrestricted. We all understand the issues surrounding carryforward and want to direct these funds toward student success.

We would like for the universities to come up with a plan as to how to use those funds – whether it be deferred maintenance of existing facilities, critical campus infrastructure, campus safety and security, student welfare (including opportunities identified by the Board) student financial aid, or other Board-adopted SUS operating LBR issues. These plans would be approved by the board of trustees and then submitted to the Committee in January for approval.

The Committee discussed and felt this was a reasonable approach to ensure transparency and accountability.

Governor Kitson discussed the plan to request a quote from an outside entity to review fiscal policies and procedures at each of the universities. This is not going into auditing dollars, it is really focusing on policies and procedures as it relates to how money is spent, what our compliance issues are, and to have a more common set of policies and procedures across the university system. We are working with Florida State University to put together a request for a quote. Once we have this common set of policies and procedures, we can review every two or three years to see how they are working at each university.

Having no further business, the meeting was adjourned at 10:23 a.m.

Tim Jones, Vice Chancellor
Finance and Administration

Syd Kitson, Chair

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Budget and Finance Committee
November 8, 2018**

SUBJECT: Performance-Based Funding Model

PROPOSED COMMITTEE ACTION

Review and consider changes to the performance-based funding model; specifically Metric 10 and Allocation Methodology.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The Board adopted a performance-based funding model in January 2014 based on 10 metrics.

The Committee held a workshop on October 16 to review and provide guidance on potential changes to the model.

The following issues were discussed during the workshop:

1. Setting Deadline for Data Submissions
2. Schedule of Changes in Common Metrics
3. Rounding Data Scores
4. Metric 1 – Percent of Bachelor’s Graduate Enrolled or Employed
5. Metric 10 – Board of Trustees Choice Metric
6. Allocation Methodologies

A list of the metrics are attached and further information will be provided during the meeting.

Supporting Documentation Included:

1. Performance Funding Model Overview
2. Regulation 5.001
3. Metric Definitions
4. Metric 10
5. Allocation Methodology
6. Amended Regulation 5.001

Facilitators/Presenters: Governor Kitson; Mr. Tim Jones

Board of Governors Performance Funding Model Overview

The Performance Funding Model includes 10 metrics that evaluate the institutions on a range of issues. Two of the 10 metrics are Choice metrics; one picked by the Board and one by the university boards of trustees. These metrics were chosen after reviewing over 40 metrics identified in the University Work Plans.

The model has four guiding principles: 1) use metrics that align with SUS Strategic Plan goals, 2) reward Excellence or Improvement, 3) have a few clear, simple metrics, and 4) acknowledge the unique mission of the different institutions.

Key components of the model:

- Institutions will be evaluated on either Excellence or Improvement for each metric.
- Data is based on one-year data.
- The benchmarks for Excellence were based on the Board of Governors 2025 System Strategic Plan goals and analysis of relevant data trends, whereas the benchmarks for Improvement were determined after reviewing data trends for each metric.
- The Florida Legislature and Governor determine the amount of new state funding and an amount of institutional funding that would come from each university's recurring state base appropriation.

Metrics Common to all Institutions:

Seven metrics apply to all eleven institutions. The eighth metric, graduate degrees awarded in areas of strategic emphasis (8a), applies to all institutions except New College. The alternative metric for New College (8b) is "freshman in the top 10% of graduating high school class."

Metrics Common to all Institutions	
1. Percent of Bachelor's Graduates Employed (Earning \$25,000+) or Continuing their Education	6. Bachelor's Degrees Awarded in Areas of Strategic Emphasis
2. Median Wages of Bachelor's Graduates Employed Full-time	7. University Access Rate (Percent of Undergraduates with a Pell-grant)
3. Average Cost to the Student (Net Tuition per 120 Credit Hours)	8a. Graduate Degrees Awarded in Areas of Strategic Emphasis 8b. Freshman in Top 10% of Graduating High School Class – for NCF only
4. Four Year Graduation Rate (Full-time FTIC)	9. Board of Governors Choice - Percent of Bachelor's Degrees without Excess Hours
5. Academic Progress Rate (2nd Year Retention with GPA Above 2.0)	10. Board of Trustees Choice

Board Choice Metric - All universities should be working to improve the percentage of degrees awarded without excess credit hours.

Board of Trustees Choice Metric - Each Board of Trustees has chosen a metric from the remaining metrics in the University Work Plans that are applicable to the mission of that university and have not been previously chosen for the model.

How will the funding component of the model work?

To ensure each university is striving to excel and improve on key metrics, there must be a financial incentive. That financial incentive will not only be new state funding, but an amount of the base state funding reallocated.

Board of Governors

Performance Funding Model Overview

State Investment versus Institutional Base Funding:

The amount of the state investment appropriated by the Legislature and Governor for performance funding will be matched by an amount reallocated from the university system base budget. These “institutional base” funds are the cumulative recurring state appropriations the Legislature has appropriated to each institution. Any state investment funding appropriated would be allocated as follows:

State Investment Funding Allocation

1. Each university metric is evaluated based on Excellence or Improvement and has ten benchmarks ranging from low to high. The lowest benchmark receives one point, while the highest receives ten points. The higher point value for Excellence or Improvement on each metric are counted in the university’s total score.
2. The state investment will be allocated based on points earned, with a maximum of 100 points possible.
3. A university is required to earn more than 50 points in order to be eligible to receive the state investment.
4. A university not meeting the required point threshold or the three lowest scoring universities will not receive any of the state investment.
5. A university that is not one of the three lowest scoring institutions and has earned more than the required point threshold will receive the state investment funds proportional to their existing base funds with the highest scoring universities eligible for additional state investment funds.
6. All ties within the scoring will be broken using the Board’s approved tiebreaker procedure:
 - a. Compare the total of Excellence and Improvement scores
 - b. Give advantage to higher points earned through Excellence
 - c. Score metric by metric giving a point to the school with the higher score
 - d. If tied after three levels of tiebreakers, the tie will go to the benefit of the institutions

Institutional Base Funding Allocation

1. A prorated amount will be deducted from each university’s base recurring state appropriation.
2. A university earning more than 50 points will have their institutional investment funding restored.
3. A university scoring 50 points or less will have to submit an improvement plan to the Board of Governors and show improvement according to that approved plan in order to have their institutional investment funding restored.

5.001 Performance-Based Funding

(1) The Performance Based Funding (PBF) model is based upon four guiding principles:

- (a) Align with the State University System's (SUS) Strategic Plan goals;
- (b) Reward excellence and improvement;
- (c) Have a few clear, simple metrics; and
- (d) Acknowledge the unique mission of the different institutions.

(2) The PBF model measures institutional excellence and improvement of performance using metrics adopted by the Board of Governors. The metrics include graduation rates; retention rates; post-graduation education rates; degree production; affordability; post-graduation employment and salaries, including wage thresholds that reflect the added value of a baccalaureate degree; access; and other metrics that may be approved by the Board in a formally noticed meeting.

(3) The performance of an institution is evaluated based on benchmarks adopted by the Board of Governors for each metric. For each fiscal year, the amount of funds available for allocation to SUS institutions shall consist of the state's investment, plus the institutional investment from each institution's base budget, as determined in the General Appropriations Act. The amount of institutional investment withheld from each SUS institution shall be a proportional amount based on each institution's recurring base state funds to the total SUS recurring base state funds (excluding special units). Florida Polytechnic University is not included in the model until such time as data is readily available.

(4) On a 100-point scale, a threshold of 51-points is established as the minimum number of total points needed to be eligible for the state's investment.

- (a) All SUS institutions eligible for the state's investment shall have their proportional amount of institutional investment restored.
- (b) The three universities with the lowest points, regardless of whether they meet the 51-point threshold, are not eligible for the state's investment. The proportional amount of the state's investment that would have been distributed to the three lowest scoring institutions will be distributed to the top three scoring institutions based on the total points of the top three scoring eligible institutions.
- (c) Institutions eligible for the state's investment shall receive an amount based on their prorated share of recurring state base funds to the total SUS recurring base state funds.

(5) Any institution that fails to meet the minimum threshold of 51-points for the state's investment shall submit a final improvement plan to the Board of Governors for consideration at its June meeting that specifies the activities and strategies for

improving the institution's performance. As of July 1, 2016, an institution is limited to only one improvement plan.

- (a) The Board of Governors will monitor the institution's progress on implementing the activities and strategies specified in the plan, and the Chancellor shall withhold disbursement of the institutional investment until the improvement plan monitoring report for each institution is approved by the Board of Governors.
 - (b) Improvement plan monitoring reports shall be submitted to the Board of Governors no later than December 31 and May 31 of each fiscal year.
 - (c) The December 31 monitoring report will be considered by the Board of Governors at its January meeting and if it is determined that the institution is making satisfactory progress on implementing the plan, the institution shall receive up to 50 percent of its institutional investment.
 - (d) The May 31 monitoring report will be considered by the Board of Governors at its June meeting and if it is determined that the institution has fully completed the plan, the institution shall receive the remaining balance of its institutional investment.
 - (e) Any institution that fails to make satisfactory progress shall not have its full institutional investment restored, and any institutional investment funds remaining shall be distributed to the three institutions that demonstrate the most improvement on the metrics based upon those institutions' share of total improvement points.
- (6) If an institution, after the submission of one improvement plan, subsequently fails to meet the 51-point threshold, its institutional investment will be redistributed to the institutions meeting the 51-point threshold, based on the points earned by each institution.
- (7) In the case of a tie in the number of points earned, the Board of Governors shall implement a tie breaker in the order shown as follows:
- (a) Compare the total of excellence and improvement scores;
 - (b) Compare only the excellence scores;
 - (c) Score metric by metric giving a point to the institution with the higher score; and
 - (d) If still tied, the tie will go to the benefit of the institutions, irrespective of whether the institutions are tied for placement among the top three scoring institutions or are tied for placement among the bottom three institutions.
- (8) By October 1 of each year, the Board of Governors shall submit a report to the Governor, President of the Senate, and Speaker of the House of Representatives on the previous fiscal year's performance funding allocation, including the rankings and award distributions.

Authority: Section 7(d), Art. IX, Fla. Const., Section 1001.92, Florida Statutes; History:
New 9-22-16.

PERFORMANCE BASED FUNDING 2018 METRIC DEFINITIONS

1. Percent of Bachelor's Graduates Enrolled or Employed (\$25,000+) One Year After Graduation	<p>This metric is based on the percentage of a graduating class of bachelor's degree recipients who are enrolled or employed (earning at least \$25,000) somewhere in the United States. Students who do not have valid social security numbers and are not found enrolled are excluded. This data now includes non-Florida data from 41 states and districts, including the District of Columbia and Puerto Rico.</p> <p>Sources: State University Database System (SUDS), Florida Education & Training Placement Information Program (FETPIP) and Florida Department of Economic Opportunity (DEO) analysis of Wage Record Interchange System (WRIS2) and Federal Employment Data Exchange (FEDES), and National Student Clearinghouse (NSC).</p>
2. Median Wages of Bachelor's Graduates Employed Full-time One Year After Graduation	<p>This metric is based on annualized Unemployment Insurance (UI) wage data from the fourth fiscal quarter after graduation for bachelor's recipients. This data does not include individuals who are self-employed, employed by the military, those without a valid social security number, or making less than minimum wage. This data now includes non-Florida data from 41 states and districts, including the District of Columbia and Puerto Rico.</p> <p>Sources: State University Database System (SUDS), Florida Education & Training Placement Information Program (FETPIP) and Florida Department of Economic Opportunity (DEO) analysis of Wage Record Interchange System (WRIS2) and Federal Employment Data Exchange (FEDES), and National Student Clearinghouse (NSC).</p>
3. Cost to the Student Net Tuition & Fees for Resident Undergraduates per 120 Credit Hours	<p>This metric is based on resident undergraduate student tuition and fees, books and supplies as calculated by the College Board (which serves as a proxy until a university work group makes an alternative recommendation), the average number of credit hours attempted by students who were admitted as FTIC and graduated with a bachelor's degree for programs that requires 120 credit hours, and financial aid (grants, scholarships and waivers) provided to resident undergraduate students (does not include unclassified students).</p> <p>Source: State University Database System (SUDS), the Legislature's annual General Appropriations Act, and university required fees.</p>
4. Four Year FTIC Graduation Rate	<p>This metric is based on the percentage of first-time-in-college (FTIC) students who started in the Fall (or summer continuing to Fall) term and were enrolled full-time in their first semester and had graduated from the same institution by the summer term of their fourth year. FTIC includes 'early admits' students who were admitted as a degree-seeking student prior to high school graduation.</p> <p>Source: State University Database System (SUDS).</p>
5. Academic Progress Rate 2nd Year Retention with GPA Above 2.0	<p>This metric is based on the percentage of first-time-in-college (FTIC) students who started in the Fall (or summer continuing to Fall) term and were enrolled full-time in their first semester and were still enrolled in the same institution during the Fall term following their first year with had a grade point average (GPA) of at least 2.0 at the end of their first year (Fall, Spring, Summer).</p> <p>Source: State University Database System (SUDS).</p>
6. Bachelor's Degrees within Programs of Strategic Emphasis	<p>This metric is based on the number of baccalaureate degrees awarded within the programs designated by the Board of Governors as 'Programs of Strategic Emphasis'. A student who has multiple majors in the subset of targeted Classification of Instruction Program codes will be counted twice (i.e., double-majors are included).</p> <p>Source: State University Database System (SUDS).</p>
7. University Access Rate <i>Percent of Undergraduates with a Pell-grant</i>	<p>This metric is based the number of undergraduates, enrolled during the fall term, who received a Pell-grant during the fall term. Unclassified students, who are not eligible for Pell-grants, were excluded from this metric.</p> <p>Source: State University Database System (SUDS).</p>
8a. Graduate Degrees within Programs of Strategic Emphasis	<p>This metric is based on the number of graduate degrees awarded within the programs designated by the Board of Governors as 'Programs of Strategic Emphasis'. A student who has multiple majors in the subset of targeted Classification of Instruction Program codes will be counted twice (i.e., double-majors are included).</p> <p>Source: State University Database System (SUDS).</p>

PERFORMANCE BASED FUNDING 2018 METRIC DEFINITIONS

8b. Freshmen in Top 10% of High School Class

Applies only to: NCF

Percent of all degree-seeking, first-time, first-year (freshman) students who had high school class rank within the top 10% of their graduating high school class.

Source: New College of Florida as reported to the Common Data Set.

BOG Choice Metric

9. Percent of Bachelor's Degrees Without Excess Hours

This metric is based on the percentage of baccalaureate degrees awarded within 110% of the credit hours required for a degree based on the Board of Governors Academic Program Inventory. Note: It is important to note that the statutory provisions of the "Excess Hour Surcharge" (1009.286, FS) have been modified several times by the Florida Legislature, resulting in a phased-in approach that has created three different cohorts of students with different requirements. The performance funding metric data is based on the latest statutory requirements that mandates 110% of required hours as the threshold. In accordance with statute, this metric excludes the following types of student credits (ie, accelerated mechanisms, remedial coursework, non-native credit hours that are not used toward the degree, non-native credit hours from failed, incomplete, withdrawn, or repeated courses, credit hours from internship programs, credit hours up to 10 foreign language credit hours, and credit hours earned in military science courses that are part of the Reserve Officers' Training Corps (ROTC) program).

Source: State University Database System (SUDS).

PERFORMANCE BASED FUNDING 2018 METRIC DEFINITIONS

BOT Choice Metrics

10a. Percent of R&D Expenditures Funded from External Sources FAMU	This metric reports the amount of research expenditures that was funded from federal, private industry and other (non-state and non-institutional) sources. Source: Accountability Report (Table 6A), National Science Foundation annual survey of Higher Education Research and Development (HERD).
10b. Bachelor's Degrees Awarded to Minorities FAU, FGCU, FIU	This metric is the number, or percentage, of baccalaureate degrees granted in an academic year to Non-Hispanic Black and Hispanic students. This metric does not include students classified as Non-Resident Alien or students with a missing race code. Source: Accountability Report (Table 4I), State University Database System (SUDS).
10c. National Rank Higher than Predicted by the Financial Resources Ranking Based on U.S. and World News FSU	This metric is based on the difference between the Financial Resources rank and the overall University rank. U.S. News measures financial resources by using a two-year average spending per student on instruction, research, student services and related educational expenditures - spending on sports, dorms and hospitals doesn't count. Source: US News and World Report's annual National University rankings.
10d. Percent of Undergraduate Seniors Participating in a Research Course NCF	This metric is based on the percentage of undergraduate seniors who participate in a research course during their senior year. Source: New College of Florida.
10e. Number of Bachelor Degrees Awarded Annually UCF	This metric is the number of baccalaureate degrees granted in an academic year. Students who earned two distinct degrees in the same academic year were counted twice; students who completed multiple majors or tracks were only counted once. Source: Accountability Report (Table 4G), State University Database System (SUDS).
10f. Number of Licenses/Options Executed Annually UF	This metric is the total number of licenses and options executed annually as reported to Association of Technology Managers (AUTM). The benchmarks are based on UF's rank within AAU institutions. Source: Accountability Report (Table 6A), University of Florida.
10g. Percent of Undergraduate FTE in Online Courses UNF	This metric is based on the percentage of undergraduate full-time equivalent (FTE) students enrolled in online courses. The FTE student is a measure of instructional activity that is based on the number of credit hours that students enroll by course level. Distance Learning is a course in which at least 80 percent of the direct instruction of the course is delivered using some form of technology when the student and instructor are separated by time or space, or both (per 1009.24(17), F.S.). Source: Accountability Report (Table 3C), State University Database System (SUDS).
10h. Number of Postdoctoral Appointees USF	This metric is based on the number of post-doctoral appointees at the beginning of the academic year. A postdoctoral researcher has recently earned a doctoral (or foreign equivalent) degree and has a temporary paid appointment to focus on specialized research/scholarship under the supervision of a senior scholar. Source: National Science Foundation/National Institutes of Health annual Survey of Graduate Students and Postdoctorates in Science and Engineering (GSS).
10i. Percentage of Adult Undergraduates Enrolled UWF	This metric is based on the percentage of undergraduates (enrolled during the fall term) who are at least 25 years old at the time of enrollment. This includes undergraduates who are unclassified (not degree-seeking) students. Source: State University Database System (SUDS).

Metric 10
Status Report

Institution	Current Metric	Three Options Submitted	Oct 2017 Workshop	Nov 2017 Board Meeting	Institution Choice
FAMU	10.A. Percent of R&D Expenditures Funded from External Sources	1. Total Degrees Awarded (Bachelor's and Graduate) 2. 4-Year Graduation Rates for Transfers with AA Degrees from FCS 3. Number of FCS Transfers with AA Degrees (Headcount Enrollment)	Discussed combining 4-Year Graduation Rates for Transfers w/ AA degrees and Number of Transfers w/ AA Degrees.	Proposal made to combine the two metrics: Increased Number of Degrees for Transfers with AA Degrees. Discussed difficulty with a compound metric and metrics out of their control. 4-Year Graduation Rates for Transfers also discussed.	Number of Bachelor's Degrees Awarded to Transfers with AA Degrees from FCS
FAU	10.B. Bachelor's Degrees Awarded to Minorities	1. Bachelor's Degree Awarded to Minorities 2. Percent of Undergraduate FTE in Distance Learning Courses 3. Total Research Expenditures	Discussed keeping FAU at their current metric, Bachelors Degrees Awarded to Minorities.	Proposal made to keep current metric. Discussed Total Research Expenditures.	Total Research Expenditures
FGCU	10.B. Bachelor's Degrees Awarded to Minorities	1. Bachelor's degrees awarded annually to minorities (African American and Hispanic) 2. Bachelor's degrees awarded 3. Total research expenditures (in millions)	Discussion focused on Bachelor's Degrees Awarded Annually to Minorities. Discussed quality vs. quantity in scoring (number vs. percentage).	Proposal made to re-word: Increase Percentage of Degrees Awarded Annually to African American and Hispanic Students	Number of Bachelor's Degrees Awarded Annually to African American and Hispanic Students
FIU	10.B. Bachelor's Degrees Awarded to Minorities	1. Number of Post-Doctoral Appointees 2. Average GPA of Incoming Freshmen 3. Total R&D Expenditures in Millions	Discussed Average GPA of Incoming Freshmen.	Proposal made for Average GPA of Incoming Freshmen. Discussed Number of Post-Doctoral Appointees.	Number of Post-Doctoral Appointees
FSU	10.C. National Rank Higher than Predicted by the Financial Resources Ranking Based on a US and World News Report	1. Percent of Bachelor's Graduates who took an Entrepreneurship Class 2. Four-Year Graduation Rate for FTIC Pell Students 3. Percent of Undergraduates Engaged in High-Impact Experiential Learning per Year	FSU President asked committee to consider Bachelor's Graduates who took an Entrepreneurship Class. Committee discussed re-working benchmarks.	Proposal made for Bachelor's Graduates who took an Entrepreneurship Class and to possibly re-work benchmarks to be higher.	Percent of Bachelor's Graduates who took an Entrepreneurship Class
NCF	10.D. Percent of Undergraduate Seniors Participating in a Research Course	1. Percent of alumni donors 2. Percent of undergraduate transfer students 3. Percent of graduates completing 3+ types of high-impact practices at New College	Discussed Percent of Graduates Completing 3+ Types of High-Impact Practices, which was NCF President first choice.	Proposal made for Percent of Graduates Completing 3+ Types of High-Impact Practice.	Percent of FTIC Graduates Completing 3+ High-Impact Practices

Metric 10
Status Report

Institution	Current Metric	Three Options Submitted	Oct 2017 Workshop	Nov 2017 Board Meeting	Institution Choice
UCF	10.E. Number of Bachelor's Degrees Awarded Annually	1. Percent of Bachelor's Degrees Awarded to African-American & Hispanic Students 2. Percent of Undergraduate FTE in Online Courses 3. Bachelor's Degrees Awarded Annually	Discussed Percent of Degrees Awarded to African-American and Hispanic Students.	Proposal made for Percent of Degrees Awarded to African-American and Hispanic Student.	Percent of Degrees Awarded to African-American and Hispanic Student
UF	10.F. Number of Licenses/Options Executed Annually	1. Six-Year Graduation rate 2. Four-Year Minority Graduation rates 3. Capital Campaign	Discussion focused on 4- or 6-Year Graduation Rates.	Proposal made for 4-Year Graduation Rate for African-American and Hispanic Students. Discussion: UF would like to focus on 6-Year Grad Rates.	6-Year Graduation Rates
UNF	10.G. Percent of Undergraduate FTE in Online Courses	1. Percent of Undergraduate FTE in Online Courses 2. Percent of Bachelor's Graduates Engaged in Internships 3. Number of Students Engaged in Original Scholarly Work under the Direction of a Faculty Member	Discussed keeping UNF at their current metric, Percent of Undergrads in Online Courses.	Proposal made to keep current metric.	Percent of Undergraduate FTE in Online Courses
USF	10.H. Number of Postdoctoral Appointees	1. FTIC 6-Year Graduation Rate (Full-time and Part-time students) 2. Percent of Graduate Degrees in STEM & Health 3. Number of Postdoctoral Appointees	USF President proposed new metric (not on their Board approved list), 4-Year Graduation Rate for African-American and Hispanic Students.	USF BOT Chair would like to go back to their original first choice, 6-Year Graduation Rates.	6-Year Graduation Rates
UWF	10.I. Number of Undergraduate Students Aged 25 and Older Enrolled in Fall	1. NSSE Results (participation rates) in two or more "High-Impact Practices" subsections for seniors 2. Percent of Undergraduate FTE in Online Courses 3. Percent of Bachelor's Degrees in STEM and Health	Discussion focused on NSSE Results (participation rates) in 2+ High-Impact Practices Subsections for Seniors. Committee proposed changing it to all students.	Proposal made for NSSE Results (participation rates) in 2+ High-Impact Practices Subsections (would apply to all students).	Percent of Baccalaureate Graduates Completing 2+ Types of High-Impact Practice

Proposed Changes to Performance-based Funding Allocation

- Eliminate the bottom 3 requirement.
- Must have at least 51 points to receive institutional investment (no change from current plan).
- Top 3 (including ties) receive 100% of their allocation of state investment.
- Universities that increase their score over the last year receive 100% of their allocation of the state investment.
- A university's score that decreases only 1 year receives 100% of their allocation of the state investment.
- If a university's score decreases or remains the same 2 consecutive years may receive up to 100% of their allocation of the state investment after presenting/completing a student success plan:
 - The university must present a student success plan to the Board, if the plan is accepted by the Board, the university may receive up to 50% of their allocation in August/September
 - If goals are met, the university may receive up to the balance of their allocation of the state investment 6 months after the student success plan is presented (March).
- Starting with the 2021-22 appropriation, schools below 70 could receive up to 50% of the state investment after presenting/completing a student success plan:
 - The university must present a student success plan to the Board, if the plan is accepted by the Board, the university may receive up to half of their allocation in August/September.
 - If goals are met, the university may receive up to the balance of their allocation of the state investment 6 months after the student success plan is presented (March)
- Any state investment not allocated shall be distributed to the universities that did receive 100% of their state investment (allocation based on points).

5.001 Performance-Based Funding

(1) The Performance-Based Funding (PBF) model is based upon four guiding principles:

- (a) Align with the State University System's (SUS) Strategic Plan goals;
- (b) Reward excellence and improvement;
- (c) Have a few clear, simple metrics; and
- (d) Acknowledge the unique mission of the different institutions.

(2) The PBF model measures institutional excellence and improvement of performance using metrics adopted by the Board of Governors. The metrics include graduation rates; retention rates; post-graduation education rates; degree production; affordability; post-graduation employment and salaries, including wage thresholds that reflect the added value of a baccalaureate degree; access; and other metrics that may be approved by the Board in a formally noticed meeting.

(3) The performance of an institution is evaluated based on benchmarks adopted by the Board of Governors for each metric. For each fiscal year, the amount of funds available for allocation to SUS institutions shall consist of the state's investment, plus the institutional investment from each institution's base budget, as determined in the General Appropriations Act. The amount of institutional investment withheld from each SUS institution shall be a proportional amount based on each institution's recurring base state funds to the total SUS recurring base state funds (excluding special units). Florida Polytechnic University is not included in the model until such time as data is readily available.

(4) Institutional Investment:

(a) On a 100-point scale, a threshold of 51-points is established as the minimum number of total points needed to be eligible for the state's institutional investment.

~~(a) All SUS institutions eligible for the state's investment shall have their proportional amount of institutional investment restored.~~

~~(b) The three universities with the lowest points, regardless of whether they meet the 51-point threshold, are not eligible for the state's investment. The proportional amount of the state's investment that would have been distributed to the three lowest scoring institutions will be distributed to the top three scoring institutions based on the total points of the top three scoring eligible institutions.~~

~~(c) Institutions eligible for the state's investment shall receive an amount based on their prorated share of recurring state base funds to the total SUS recurring base state funds.~~

~~(5)~~ (b) Any institution that fails to meet the minimum threshold of 51-points for the state's institutional investment shall submit a final improvement plan to the Board of Governors for consideration at its August/September~~June~~ meeting that specifies the activities and strategies for improving the institution's performance. As of July 1, 2016, an institution is limited to only one improvement plan.

(1a) The Board of Governors will monitor the institution's progress on implementing the activities and strategies specified in the plan, and the Chancellor shall withhold disbursement of the institutional investment until the improvement plan monitoring report for each institution is approved by the Board of Governors.

(2b) Improvement plan monitoring reports shall be submitted to the Board of Governors no later than December 31 and May 31 of each fiscal year.

(3e) The December 31 monitoring report will be considered by the Board of Governors at its January meeting and if it is determined that the institution is making satisfactory progress on implementing the plan, the institution shall receive up to 50 percent of its institutional investment.

(4d) The May 31 monitoring report will be considered by the Board of Governors at its June meeting and if it is determined that the institution has fully completed the plan, the institution shall receive the remaining balance of its institutional investment.

(5e) Any institution that fails to make satisfactory progress shall not have its full institutional investment restored, and any institutional investment funds remaining shall be distributed to the three institutions that demonstrate the most improvement on the metrics based upon those institutions' share of total improvement points.

(c6) If an institution, after the submission of one improvement plan, subsequently fails to meet the 51-point threshold, its institutional investment will be redistributed to the institutions meeting the 51-point threshold, based on the points earned by each institution.

(6) State Investment:

(a) On a 100-point scale, institutions with the top 3 scores shall be eligible for their proportional amount of the state's investment. In the case of a tie for the top 3 scores, the tie will go to the benefit of the institutions.

(a) All SUS institutions with a score the same or higher as the previous year, shall be eligible for their proportional amount of the state's investment.

(b) Any institution with a score less than the previous year but the previous year's score was higher or the same than the year before, shall be eligible for their proportional amount of the state's investment.

(c) Any institution with a score the same or lower than the previous year's score for two consecutive years shall submit a student success plan to the Board of Governors for consideration at its August/September meeting that specifies the activities and strategies for improving the institution's performance metrics in order to be eligible for their proportional amount of the state's investment. The baseline scores begin with the June, 2018 results.

(1) If the student success plan is approved by the Board of Governors, the institution shall receive up to 50 percent of its state's investment at the time of approval.

(2) The Board of Governors will monitor the institution's progress on implementing the activities and strategies specified in the plan, and the Chancellor shall withhold the remaining disbursement of the state's investment until the student success plan monitoring report for each institution is approved by the Board of Governors.

(3) The student success plan monitoring report shall be submitted to the Board of Governors on a date specified by the Chancellor.

(4) The monitoring report will be considered by the Board of Governors at its March meeting and if it is determined that the institution is making satisfactory progress on implementing the plan, the institution shall receive up to the balance of its state's investment.

(5) Any institution that fails to make satisfactory progress shall not have its full state's investment restored, and any state investment funds remaining shall be distributed to the institutions that received 100 percent of their proportional amount of the state's investment based on the total number of points of each institution.

(7) Beginning with the Fiscal Year 2021-22 appropriation, any institution with a score lower than 70 points shall submit a student success plan to the Board of Governors for consideration at its August/September meeting that specifies the activities and strategies for improving the institution's performance metrics in order to be eligible for 50 percent of their proportional amount of the state's investment.

(a) If the student success plan is approved by the Board of Governors, the institution shall receive up to 25 percent of its state's investment at the time of approval.

(b) The Board of Governors will monitor the institution's progress on implementing the activities and strategies specified in the plan, and the Chancellor shall withhold the remaining 25% of the disbursement of the state's investment until the student success plan monitoring report for each institution is approved by the Board of Governors.

(c) The student success plan monitoring report shall be submitted to the Board of Governors on a date specified by the Chancellor.

(d) The monitoring report will be considered by the Board of Governors at its March meeting and if it is determined that the institution is making satisfactory progress on implementing the plan, the institution shall receive up to the balance of its state's investment.

(e) Any institution that fails to make satisfactory progress shall not have its 50 percent of the state's investment restored, and any state investment funds remaining shall be distributed to the institutions that received 100 percent of their proportional amount of the state's investment based on the total number of points of each institution.

(f) The remaining 50 percent of each institution's state's investment shall be distributed to the institutions that received 100 percent of their proportional amount of the state's investment based on the total number of points of each institution.

~~(7) In the case of a tie in the number of points earned, the Board of Governors shall implement a tie breaker in the order shown as follows:~~

~~(a) Compare the total of excellence and improvement scores;~~

~~(b) Compare only the excellence scores;~~

~~(c) Score metric by metric giving a point to the institution with the higher score; and~~

~~(d) If still tied, the tie will go to the benefit of the institutions, irrespective of whether the institutions are tied for placement among the top three scoring institutions or are tied for placement among the bottom three institutions.~~

(8) By October 1 of each year, the Board of Governors shall submit a report to the Governor, President of the Senate, and Speaker of the House of Representatives on the previous fiscal year's performance funding allocation, including the rankings and award distributions.

Authority: Section 7(d), Art. IX, Fla. Const., Section 1001.92, Florida Statutes; History: New 9-22-16, Amended x-xx-xx.

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Budget and Finance Committee
November 8, 2018**

SUBJECT: 2019-2020 Legislative Budget Request Update

PROPOSED COMMITTEE ACTION

Consider any changes to the 2019-2020 operating Legislative Budget Request for the State University System and allow the Chancellor to make technical changes as necessary.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Section 216.023, Florida Statute

BACKGROUND INFORMATION

The Board of Governors approved the 2019-2020 legislative budget request at the September 13, 2018, meeting. The request totals \$5.1 billion, which is an increase of \$178 million (3.5 percent) over the prior year.

Consideration will be given to any new issues that may be presented to the Committee.

Supporting Documentation Included: 2019-2020 LBR Executive Summary

Facilitators/Presenters: Governor Syd Kitson

State University System of Florida
Education and General
2019-2020 Executive Summary, Universities and Special Units
September 25, 2018 (Amended Version)

	Board Request
2018-2019 Total Appropriation	
State Support	\$2,546,984,740
Performance Based Funding - State Investment	\$265,000,000
Performance Based Funding - Institutional Investment	\$295,000,000
Tuition Support	\$1,957,486,926
2018-2019 Total Base Budget	\$5,064,471,666
2019-2020 Start-up Budget	
2018-2019 Non-Recurring Issues	(\$27,102,461)
Performance Based Funding - Non-Recurring State Investment	(\$12,670,000)
2018-2019 Health Insurance Premiums Adjustment	\$16,325,993
2018-2019 Casualty Insurance Premium Adjustment	\$447,216
2018-19 Reduction Due to Basic Life Insurance Contract Savings	(\$414,575)
2019-2020 Beginning Base Budget	\$5,041,057,839
2019-2020 Budget Issues:	
Performance Funding	
Performance Based Incentives	\$75,000,000
System Initiatives	
Plant Operations, and Maintenance for New Facilities	\$26,461,630
State Fire Marshal Inspections	\$2,276,318
Programs of Excellence (Year 1 of 2)	\$30,000,000
World Class Scholars	\$20,000,000
UF-IFAS Workload Initiative	\$3,874,528
NCF - Third Year Plan for Growth	\$1,640,000
FAMU-FSU College of Engineering	\$6,394,000
FAU100 (IF RECOMMENDED BY STRATEGIC PLANNING)	\$16,300,000
Florida Gulf Coast University	\$12,385,000
Incremental Growth for 2019-2020	\$194,331,476
Total 2019-2020 Budget	\$5,235,389,315
% Increase over 2019-2020 Beginning Base Budget (Line 9)	3.9%
2018-2019 Beginning State Support (start-up items included)	\$3,083,570,913
Increase in State Support	\$194,331,476
Total State Support Needed for FY 2019-2020	\$3,277,902,389
2018-2019 Beginning Student Tuition Support	\$1,957,486,926
Increase in Student Tuition Support	-
Total Tuition Support Needed for FY 2019-2020	\$1,957,486,926
Total Support for FY 2019-2020	\$5,235,389,315
Statewide Initiatives	
Moffitt Cancer Center (pass-through)	\$8,500,000
Institute of Human and Machine Cognition (pass-through)	\$6,739,184
Incremental Growth for 2019-2020	\$15,239,184
Total Support w/Statewide Initiatives for FY 2019-2020	\$5,250,628,499

For FY 2019-2020, the System's request for performance funding is as follows: for state investment, \$252.33 M from FY 2018-2019 plus \$75 M in new state funds for a total of \$327.33 M; for institutional investment, \$295 M from FY 2018-2019 plus \$32.33 M redirected from the system base for a total of \$327.33 M. Total support of \$654.66 M for performance base funding initiatives.

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Budget and Finance Committee
November 8, 2018**

SUBJECT: University Carryforward

PROPOSED COMMITTEE ACTION

Consider a new transparent process for the use of university carryforward funds.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Section 216.023, Florida Statute

BACKGROUND INFORMATION

Prior to 1985, universities, like other state agencies, did not have the ability to carryforward unexpended funds appropriated in a given fiscal year. Unexpended funds were returned to the state.

In 1985, Florida Statute Section 240.272, Carryforward of Unexpended Funds, was created which allowed:

Any unexpended funds in the current year budget shall be carried forward by the university to which the funds were allocated. (1) Such carryforward shall not exceed five percent of the total operating budget of the university. Funds carried forward pursuant to this section shall be expended for nonrecurring expenses as approved by the Board of Regents. (2) No university shall be penalized in the allocation of subsequent funds as a result of the carryforward of an unexpended balance.

In 1994, Florida Statute Section 240.272 was revised to provide greater flexibility:

Building an escrow account for major equipment purchases; scientific, technical, or other equipment; matching challenge grant programs; library resources; minor repairs, renovations, or maintenance; major studies or planning processes; maintaining access to course offerings in the event of a revenue shortfall; and expanding access to course offerings approved by the Board of Regents.

In 2002, as a part of the educational reorganization, the statute was changed to Florida Statute Section 1011.45, End of Year Balance of Funds, eliminating the five percent limit.

Unexpended amounts in any fund in a university current year operating budget shall be carried forward and included as the balance forward for that fund in the following year.

Additionally, Florida Statute Section 1011.40(2) placed a five percent floor on unencumbered balances:

If at any time the unencumbered balance in the education and general fund of the university board of trustees approved operating budget goes below five percent, the president shall provide written notification to the Board of Governors.

Since 2012, most university carryforward balances have continued to increase. A plan will be implemented to provide greater transparency and accountability on the use of carryforward funds. This plan will restrict the use of carryforward funds for specific strategic initiatives.

Supporting Documentation Included:	1. Carryforward Uses 2. August Carryforward Composition and Description 3. Carryforward Proposal 4. Carryforward History
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Facilitators/Presenters:	Governor Syd Kitson
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State University System of Florida The Need for Carryforward Funds

Carryforward funds are a significant and important tool in prudent higher education management. Selected reasons dictating the need for such funds include:

- **Supports bond credit ratings** that provide the ability to access capital at low borrowing costs.
- Funds to invest in leading priorities such as **start-up packages for world-class faculty**, the potential need to supplement **financial aid**, and other **student success strategies**.
- Allows universities to attempt to address rapidly growing **deferred maintenance** backlogs.
- Funds core assets not specifically included in the budget i.e., major **ERP business systems updates** (such as student information systems, HR systems and financial systems), electric grid infrastructure, utility systems and infrastructure, technology updates, and student success - including advising and mental health initiatives.
- Provides a source of funding if revenue is interrupted due to a **major unforeseen event** such as a hurricane. A **semester's worth** of carryforward is prudent.
- Delivers a funding source to offset the long-term liabilities associated with the State of Florida's mandatory Other Post-Employment Benefits (OPEB) and Pension obligations.
- Fosters long-range financial planning and stewardship versus the "use-it-or-lose-it" mentality.
- University reserves help bolster the State of Florida's balance sheet, as the State University System is included in Florida's Financial Statements.

Moody's Investor Services uses monthly-days cash as one of the key measures of the financial viability and creditworthiness of a college and university. Monthly-days cash measures the number of days a university could cover operating expenses from unrestricted cash and investments that could be liquidated within one month. If a SUS school had a rating the same as the State of Florida (Aaa), the median for monthly days cash and investments that would be expected is 186 days. For schools with Aa ratings (UF, FSU, USF) medians would yield an expectation of 168 days cash and investments.¹

¹ Moody's Investor Services "Higher Education – US Medians – Public Universities," June 28, 2018

		STATE UNIVERSITY SYSTEM OF FLORIDA							Total USF E&G				
		UF	UF-IFAS	UF-HSC	Education and General	Engineering	FAMU/FSU		Non-Medical	USF-Tampa	USF-St. Pete	USF-Sar/Man	USF-MC
		2018-19 Operating Budget Carryforward Fund Balance Composition											
		August 2018											
A.	Beginning E&G Carryforward Fund Balance - July 1, 2018 :												
	Cash	\$ 1,016,235	\$ 140,814	\$ 79,798	\$ (146,889)	\$ 112,495	\$ 81,503	\$ 31,800,000	\$ 40,735,967	\$ 32,868,729	\$ 5,046,026	\$ 2,821,212	\$ 15,282,392
	Investments	\$ 246,845,900	\$ 34,204,169	\$ 19,383,021	\$ 156,274,716	\$ 13,096,931	\$ 2,910,674	\$ -	\$ 156,099,357	\$ 130,174,979	\$ 14,528,169	\$ 11,396,209	\$ 47,596,996
	Accounts Receivable	\$ 49,047	\$ 5,708	\$ 526	\$ 9,685,575	\$ 291,420	\$ 335	\$ 17,100,000	\$ 11,642,123	\$ 9,952,688	\$ 1,166,919	\$ 522,516	\$ 1,021,963
	Less: Accounts Payable	\$ 6,983,835	\$ 3,405,008	\$ 2,461,533	\$ 5,075,295	\$ 995,552	\$ 148,022	\$ 10,000,000	\$ 23,302,541	\$ 22,713,096	\$ 520,219	\$ 69,226	\$ 10,283,860
	Less: Deferred Fees	\$ 26,030,196	\$ -	\$ -	\$ 22,669,270	\$ 2,977,517	\$ -	\$ -	\$ 25,857,460	\$ 20,461,186	\$ 3,661,283	\$ 1,734,991	\$ 10,745,715
	Beginning E&G Fund Balance Before Encumbrances :	\$ 214,897,151	\$ 30,945,683	\$ 17,001,812	\$ 138,069,057	\$ 9,527,777	\$ 2,844,490	\$ 38,900,000	\$ 159,317,446	\$ 129,822,114	\$ 16,559,612	\$ 12,935,720	\$ 42,871,776
B.	Expenditures to Date :	\$ 15,465,086	\$ 2,437,291	\$ 1,598,523	\$ 19,142,239	\$ 809,330	\$ 886,263	\$ 1,777,747	\$ 8,229,777	\$ 5,768,318	\$ 2,215,067	\$ 246,392	\$ 5,185,633
C.	Encumbrances to Date :	\$ 34,934,325	\$ 6,181,221	\$ 2,123,637	\$ 52,612,272	\$ 2,266,433	\$ 384,168	\$ 2,921,525	\$ 32,494,932	\$ 25,086,889	\$ 2,851,990	\$ 4,556,053	\$ 6,882,199
D.	E&G Carryforward Fund Balance - as of August 21, 2018 :	\$ 164,497,740	\$ 22,327,171	\$ 13,279,652	\$ 66,314,546	\$ 6,452,014	\$ 1,574,059	\$ 34,200,728	\$ 118,592,737	\$ 98,966,907	\$ 11,492,555	\$ 8,133,275	\$ 30,803,944
E.	Restricted / Contractual Obligations												
	5% Statutory Reserve Requirement	\$ 40,499,864	\$ 8,328,117	\$ 7,435,593	\$ 32,271,131	\$ 2,406,498	\$ 720,966	\$ 8,869,385	\$ 28,939,105	\$ 24,807,806	\$ 2,877,598	\$ 1,253,701	\$ 7,280,551
	Restricted by Appropriations	\$ 64,837,570	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,211,045	\$ 4,609,942	\$ 601,103	\$ -	\$ 2,826,982
	University Board of Trustees Reserve Requirement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,869,385	\$ -	\$ -	\$ -	\$ -	\$ -
	Restricted by Contractual Obligations :								\$ -	\$ -	\$ -	\$ -	\$ -
	Compliance Program Enhancements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Audit Program Enhancements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Campus Security and Safety Enhancements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Student Services, Enrollment, and Retention Efforts	\$ -	\$ -	\$ -	\$ 230,000	\$ -	\$ -	\$ -	\$ 725,679	\$ -	\$ 725,679	\$ -	\$ 2,601,577
	Student Financial Aid	\$ -	\$ -	\$ -	\$ 8,300,000	\$ -	\$ -	\$ 4,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
	Faculty/Staff, Instructional and Advising Support and Start-up Funding	\$ 2,619,513	\$ 623,754	\$ -	\$ 21,577,865	\$ 3,076,000	\$ -	\$ -	\$ 6,568,712	\$ 6,568,712	\$ -	\$ -	\$ 3,352,119
	Faculty Research and Public Service Support and Start-Up Funding	\$ 4,805,807	\$ 9,236,297	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,797,736	\$ 15,520,138	\$ 277,598	\$ -	\$ 4,544,923
	Library Resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450,000
	Infrastructure, Capital Renewal, Roofs, Renovation, Repair	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,118,897	\$ 2,118,897	\$ -	\$ -	\$ -
	Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Information Technology (ERP, Equipment, etc.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ 2,106,495
	Other Facilities Requirements (2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,108,000	\$ -	\$ 2,108,000	\$ -	\$ -
	USF St. Pete Restricted Reserv-USC Funding Guarantee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,680,000	\$ -	\$ 2,680,000	\$ -	\$ -
	Total Restricted Funds :	\$ 112,762,754	\$ 18,188,168	\$ 7,435,593	\$ 62,378,996	\$ 5,482,498	\$ 720,966	\$ 21,738,770	\$ 64,349,174	\$ 53,825,495	\$ 9,269,978	\$ 1,253,701	\$ 23,162,647
F.	Commitments												
	Compliance, Audit, and Security												
	Compliance Program Enhancements	\$ 592,238	\$ -	\$ 7,504	\$ -	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -
	Audit Program Enhancements	\$ 508,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ -
	Campus Security and Safety Enhancements	\$ 252,020	\$ -	\$ -	\$ 1,500,000	\$ -	\$ -	\$ 1,500,000	\$ 526,547	\$ -	\$ 100,000	\$ 426,547	\$ -
	Academic and Student Affairs								\$ -				
	Student Services, Enrollment, and Retention Efforts	\$ 1,146,982	\$ -	\$ -	\$ 260,000	\$ -	\$ -	\$ 500,000	\$ 3,694,497	\$ 3,500,000	\$ -	\$ 194,497	\$ -
	Student Financial Aid	\$ -	\$ -	\$ -	\$ 480,000	\$ -	\$ -	\$ 1,500,000	\$ 3,000,000	\$ 3,000,000	\$ -	\$ -	\$ -
	Faculty/Staff, Instructional and Advising Support and Start-up Funding	\$ 11,411,005	\$ 178,573	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,144,099	\$ 5,456,250	\$ -	\$ 2,687,849	\$ 3,787,229
	Faculty Research and Public Service Support and Start-Up Funding	\$ 14,664,230	\$ 2,644,245	\$ 1,702,104	\$ -	\$ -	\$ -	\$ -	\$ 11,644,076	\$ 11,294,076	\$ -	\$ 350,000	\$ 1,279,569
	Library Resources	\$ 182,347	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 938,045	\$ 70,000	\$ -	\$ 868,045	\$ -
	Facilities, Infrastructure, and Information Technology								\$ -				
	Infrastructure, Capital Renewal, Roofs, Renovation, Repair	\$ 9,319,454	\$ 945,181	\$ 1,033,514	\$ -	\$ -	\$ -	\$ 3,500,000	\$ 18,697,363	\$ 14,721,085	\$ 2,022,577	\$ 1,953,701	\$ 2,574,499
	Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 100,000	\$ -	\$ -	\$ 100,000	\$ -
	Information Technology (ERP, Equipment, etc.)	\$ 2,201,507	\$ 177,758	\$ 90,747	\$ -	\$ -	\$ -	\$ 3,500,000	\$ 7,498,936	\$ 7,100,001	\$ 100,000	\$ 298,935	\$ -
	Total Commitments :	\$ 40,278,682	\$ 3,945,757	\$ 2,833,869	\$ 2,240,000	\$ -	\$ -	\$ 12,300,000	\$ 54,243,563	\$ 45,141,412	\$ 2,222,577	\$ 6,879,574	\$ 7,641,297
G.	Available E&G Carryforward Balance as of August 21, 2018 :	\$ 11,456,304	\$ 193,246	\$ 3,010,190	\$ 1,695,550	\$ 969,516	\$ 853,093	\$ 161,958	\$ -	\$ -	\$ -	\$ -	\$ -

STATE UNIVERSITY SYSTEM OF FLORIDA													
	FAU	FAU-MS	UWF	UCF	Education-MS	General-CSWUA	FIU	FIU-MS	UNF	FGCU	NCF	FPU ¹	SUS Total
A. Beginning E&G Carryforward Fund Balance - July 1, 2018 :													
Cash	\$ 9,333,863	\$ 3,188,286	\$ -	\$ 191,450,620	\$ 10,172,768	\$ 11,681,958	\$ 77,521,181	\$ 11,695,830	\$ 30,087,744	\$ 29,938,746	\$ 171,635	\$ 37,462,124	\$ 501,807,228
Investments	\$ 12,837,748	\$ 4,782,428	\$ 40,063,770	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,517,137	\$ -	\$ 746,612,847
Accounts Receivable	\$ 36,835,700	\$ -	\$ 5,143	\$ 887	\$ 2,386,236	\$ -	\$ 10,351,260	\$ 5,770	\$ 2,436,751	\$ 1,550,308	\$ 8,511	\$ -	\$ 93,377,263
Less: Accounts Payable	\$ 6,297,207	\$ -	\$ 835,435	\$ 17,246,774	\$ 1,485,029	\$ -	\$ 7,446,943	\$ 770,280	\$ 2,873,812	\$ 3,029,509	\$ 4,270,763	\$ -	\$ 106,911,398
Less: Deferred Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,164,187	\$ 14,400	\$ -	\$ -	\$ -	\$ -	\$ 89,458,745
Beginning E&G Fund Balance Before Encumbrances :	\$ 52,710,104	\$ 7,970,714	\$ 39,233,478	\$ 174,204,733	\$ 11,073,913	\$ 11,681,958	\$ 79,261,311	\$ 10,916,920	\$ 29,650,683	\$ 28,459,545	\$ 8,426,520	\$ 37,462,124	\$ 1,145,427,195
B. Expenditures to Date :	\$ 2,632,348	\$ 745,031	\$ 3,316,632	\$ 6,913,232	\$ 733,780	\$ -	\$ 2,918,593	\$ 1,186,075	\$ 959,967	\$ 5,091,809	\$ 720,688	\$ 400,425	\$ 81,150,469
C. Encumbrances to Date :	\$ 12,340,365	\$ 2,320,763	\$ 11,098,980	\$ 48,636,048	\$ 2,816,785	\$ 201,432	\$ 15,426,487	\$ 1,432,987	\$ 1,223,257	\$ 9,821,754	\$ 2,918,930	\$ 1,739,446	\$ 250,777,946
D. E&G Carryforward Fund Balance - as of August 21, 2018 :	\$ 37,737,391	\$ 4,904,920	\$ 24,817,866	\$ 118,655,453	\$ 7,523,348	\$ 11,480,526	\$ 60,916,231	\$ 8,297,858	\$ 27,467,459	\$ 13,545,982	\$ 4,786,902	\$ 35,322,253	\$ 813,498,780
E. Restricted / Contractual Obligations													
5% Statutory Reserve Requirement	\$ 15,924,961	\$ 1,299,532	\$ 8,253,142	\$ 31,931,049	\$ 2,275,758	\$ -	\$ 26,546,224	\$ 2,527,618	\$ 8,454,776	\$ 7,897,573	\$ 1,795,512	\$ 1,859,672	\$ 245,517,027
Restricted by Appropriations	\$ 3,746,521	\$ -	\$ 5,409,915	\$ 9,293,699	\$ 3,147,144	\$ 11,480,526	\$ 1,666,721	\$ 2,962,776	\$ 300,000	\$ 512,336	\$ -	\$ -	\$ 111,395,235
University Board of Trustees Reserve Requirement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,934,155	\$ -	\$ 543,926	\$ 5,000,000	\$ -	\$ -	\$ 20,347,466
Restricted by Contractual Obligations :									\$ 1,582,273				\$ 1,582,273
Compliance Program Enhancements	\$ 400,561	\$ 85,328	\$ -	\$ 114,595	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ 640,484
Audit Program Enhancements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Campus Security and Safety Enhancements	\$ 83,296	\$ -	\$ -	\$ 677,600	\$ -	\$ -	\$ 328,115	\$ -	\$ 19,882	\$ -	\$ 36,577	\$ -	\$ 1,145,470
Student Services, Enrollment, and Retention Efforts	\$ 43,612	\$ -	\$ -	\$ 217,000	\$ -	\$ -	\$ 1,797,892	\$ 300,000	\$ 11,786	\$ -	\$ -	\$ -	\$ 5,927,546
Student Financial Aid	\$ -	\$ -	\$ -	\$ 155,602	\$ -	\$ -	\$ -	\$ 904,375	\$ 893,611	\$ -	\$ -	\$ -	\$ 14,253,588
Faculty/Staff, Instructional and Advising Support and Start-up Funding	\$ 5,147,655	\$ -	\$ -	\$ 6,047,670	\$ -	\$ -	\$ 2,221,971	\$ -	\$ 2,739,679	\$ -	\$ 1,030,014	\$ -	\$ 55,004,952
Faculty Research and Public Service Support and Start-Up Funding	\$ 835,272	\$ 1,462,393	\$ 638,197	\$ 9,740,000	\$ -	\$ -	\$ -	\$ -	\$ 277,911	\$ -	\$ -	\$ -	\$ 47,338,536
Library Resources	\$ 527,360	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,206	\$ -	\$ -	\$ -	\$ 331,444	\$ -	\$ 1,355,010
Infrastructure, Capital Renewal, Roofs, Renovation, Repair	\$ 1,962,856	\$ 490,754	\$ -	\$ 550,000	\$ -	\$ -	\$ 6,693,900	\$ -	\$ 465,441	\$ -	\$ 24,383,900	\$ -	\$ 36,665,748
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Information Technology (ERP, Equipment, etc.)	\$ 4,695,176	\$ -	\$ -	\$ 1,807,084	\$ -	\$ -	\$ -	\$ -	\$ 107,203	\$ -	\$ -	\$ 1,812,667	\$ 10,728,625
Other Facilities Requirements (2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,108,000
USF St. Pete Restricted Reserv-USC Funding Guarantee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,680,000
Total Restricted Funds :	\$ 33,367,270	\$ 3,338,007	\$ 14,301,254	\$ 60,534,299	\$ 5,422,902	\$ 11,480,526	\$ 45,235,184	\$ 6,694,769	\$ 15,436,488	\$ 13,409,909	\$ 3,193,547	\$ 28,056,239	\$ 556,689,960
F. Commitments													
Compliance, Audit, and Security													
Compliance Program Enhancements	\$ 191,013	\$ -	\$ -	\$ 2,500,000	\$ -	\$ -	\$ 11,528	\$ -	\$ 128,146	\$ -	\$ 45,002	\$ -	\$ 3,975,431
Audit Program Enhancements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,500	\$ -	\$ -	\$ -	\$ 842,400
Campus Security and Safety Enhancements	\$ 88,438	\$ -	\$ 204,703	\$ 1,830,570	\$ -	\$ -	\$ 5,240,685	\$ -	\$ 327,899	\$ -	\$ 150,000	\$ -	\$ 11,620,862
Academic and Student Affairs													
Student Services, Enrollment, and Retention Efforts	\$ 460,252	\$ -	\$ 1,086,807	\$ 3,615,736	\$ -	\$ -	\$ 297,775	\$ -	\$ 375,928	\$ -	\$ 189,463	\$ -	\$ 11,627,440
Student Financial Aid	\$ 868,697	\$ 1,566,913	\$ -	\$ 3,325,842	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,672	\$ -	\$ 10,745,124
Faculty/Staff, Instructional and Advising Support and Start-up Funding	\$ 1,475,552	\$ -	\$ 6,469,750	\$ 9,030,533	\$ 2,100,446	\$ -	\$ 6,165,912	\$ 130,000	\$ 5,518,622	\$ -	\$ 305,491	\$ -	\$ 54,717,212
Faculty Research and Public Service Support and Start-Up Funding	\$ 385,488	\$ -	\$ -	\$ 24,127,404	\$ -	\$ -	\$ 1,753,495	\$ 56,062	\$ 691,686	\$ -	\$ 28,668	\$ -	\$ 58,977,027
Library Resources	\$ -	\$ -	\$ -	\$ 87,127	\$ -	\$ -	\$ -	\$ -	\$ 1,152,350	\$ -	\$ 79,366	\$ -	\$ 2,939,235
Facilities, Infrastructure, and Information Technology													
Infrastructure, Capital Renewal, Roofs, Renovation, Repair	\$ 744,943	\$ -	\$ 14,269	\$ 9,666,385	\$ -	\$ -	\$ 2,211,653	\$ 268,734	\$ 691,262	\$ -	\$ 325,000	\$ -	\$ 49,992,257
Utilities	\$ 137,565	\$ -	\$ 1,557,413	\$ 1,743,000	\$ -	\$ -	\$ -	\$ -	\$ 638,867	\$ -	\$ 225,000	\$ -	\$ 4,901,845
Information Technology (ERP, Equipment, etc.)	\$ 18,172	\$ -	\$ 1,183,670	\$ 2,194,558	\$ -	\$ -	\$ -	\$ 1,148,293	\$ 1,790,853	\$ -	\$ 201,997	\$ -	\$ 20,006,491
Total Commitments :	\$ 4,370,120	\$ 1,566,913	\$ 10,516,612	\$ 58,121,155	\$ 2,100,446	\$ -	\$ 15,681,048	\$ 1,603,089	\$ 11,349,113	\$ -	\$ 1,553,659	\$ -	\$ 230,345,323
G. Available E&G Carryforward Balance as of August 21, 2018 :	\$ 1	\$ -	\$ -	\$ (1)	\$ -	\$ -	\$ (1)	\$ -	\$ 681,858	\$ 136,073	\$ 39,696	\$ 7,266,014	\$ 26,463,497

5% Statutory Reserve Requirement: in compliance with 1011.40(2), Florida Statutes, each institution shall provide a written notification to the Board of Governors if, at any time, the unencumbered balance in the education and general fund of the university board of trustees approved operating budget goes below 5 percent. As a result, each university reserves an amount equal to 5 percent of its unencumbered balance in the education and general fund.

University Board of Trustees Reserve Requirement: the amount of unrestricted funds set aside by the University Board of Trustees to address critical, unforeseen, or non-discretionary items that require immediate funding.

Pass-Through Funds: funds that have been designated by the Legislature or another entity to be provided to an external source.

Restricted by Appropriations: funds appropriated by the Legislature for a specific purpose as identified by law or through legislative work papers.

Compliance Program Enhancements: Initiatives associated with being in compliance with federal law, state law, BOG Regulations or any other entity with which the University must comply.

Audit Program Enhancements: Initiatives associated with programs supporting audit programs of the institution

Campus Security and Safety Enhancements – Safety Issues: the support of campus security and/or safety issues, such as the recruitment of police officers, vehicles, and equipment. This issue may also include mental health counseling and services

Student Services, Enrollment and Retention: funds to support student services programs, address enrollment and assist with retention efforts to support timely graduation

Student Financial Aid: funds aimed to reduce student costs and provide opportunity for higher education

Faculty/Staff Instructional and Advising Support and Start Up Funding: funds identified to support instructional and advising activities, and/or start-up packages for new faculty. Start up packages are often expended over a

Faculty Research and Public Service Support and Start Up Funding: funds identified to support research and public service, and the start up funding required. Start up packages are often expended over a multi-year period.

Library Resources: materials and database access required to support programs of study and research.

Infrastructure, Capital Renewal, Roofs: funds to support the maintenance of university building infrastructures. Such costs may include the following: preventive maintenance, replacement of parts, systems or components; and other activities needed to preserve or maintain the asset.

Utility Costs: the support of utility costs throughout the university.

Information Technology (ERP, Equipment, etc.): funds to improve operational productivity, educational improvements, and technological innovation. Also for the implementation and/or maintenance of ERP systems and technological equipment purchases.

Facility Renovation and Repair: funds set aside to renovate and/or repair as needed campus facilities

Board of Governors Proposal Strategic Deployment of University Carryforward

Historical Perspective:

- Prior to 1985, universities, like other state agencies, did not have the ability to carryforward unexpended funds.
- In 1985, Section 240.272 F.S. Carryforward of Unexpended Funds, was created which allowed:

Any unexpended funds in the current year budget shall be carried forward by the university to which the funds were allocated. (1) Such carryforward shall not exceed 5 percent of the total operating budget of the university. Funds carried forward pursuant to this section shall be expended for nonrecurring expenses as approved by the Board of Regents. (2) No university shall be penalized in the allocation of subsequent funds as a result of the carryforward of an unexpended balance.

- In 1994, Section 240.272 was revised to provide greater flexibility:

Building an escrow account for major equipment purchases; scientific, technical, or other equipment; matching challenge grant programs; library resources; minor repairs, renovations, or maintenance; major studies or planning processes; maintaining access to course offerings in the event of a revenue shortfall; expanding access to course offerings approved by the Board of Regents.

- In 2002, as a part of the educational reorganization, the statute was changed to Section 1011.45, End of Year Balance of Funds, eliminating the 5 percent limit.

Unexpended amounts in any fund in a university current year operating budget shall be carried forward and included as the balance forward for that fund in the following year.

- Additionally, Section 1011.40(2) placed a 5 percent floor on unencumbered balances:

If at any time the unencumbered balance in the education and general fund of the university board of trustees approved operating budget goes below 5 percent, the president shall provide written notification to the Board of Governors.

Current Situation:

- As of August 2018 there was \$814 million in carryforward funds.
 - \$246 million is allocated for the 5 percent reserve.
 - \$290 million (less \$20 million identified as BOT reserves) has been identified as “Restricted/Contractual Obligations”. These funds are supported via contractual obligation, legislative appropriation, or other binding document.
 - That leaves \$289 million identified as “Commitments” and \$26 million in unallocated funds. These “Commitments” are identified as follows:

UBOT Reserve Requirement	\$ 20,347,466
Compliance Program Enhancements	\$ 3,975,431
Audit Program Enhancements	\$ 842,400
Campus Security and Safety Enhancements	\$ 11,620,862
Student Services, Enrollment, Retention Efforts	\$ 11,627,440
Student Financial Aid	\$ 10,745,124
Faculty/Staff, Instructional & Advising Support & Start-up Funding	\$ 54,717,212
Faculty Research & Public Service Support & Start-Up Funding	\$ 58,977,027
Library Resources	\$ 2,939,235
Infrastructure, Capital Renewal, Roofs, Renovations, Repairs	\$ 49,992,257
Utilities	\$ 4,901,845
Information Technology (ERP, Equipment, etc.)	\$ 20,006,491
UCF Restoration	\$ 38,000,000
	<hr/>
	\$ 288,692,790
Uncommitted	\$ 26,463,497

Proposal:

Carryforward funds totaling \$315 million (\$289 million plus \$26 million) would be directed towards the following strategic priorities¹:

- Critical Deferred Maintenance of Existing Facilities
- Critical Campus Infrastructure
- Campus Safety and Security
- Student Welfare, including opportunities identified by the Board's Special Committee
- Student Financial Aid
- Academic and Student Affairs
- Information Technology
- Board adopted SUS operating Legislative Budget Request issues

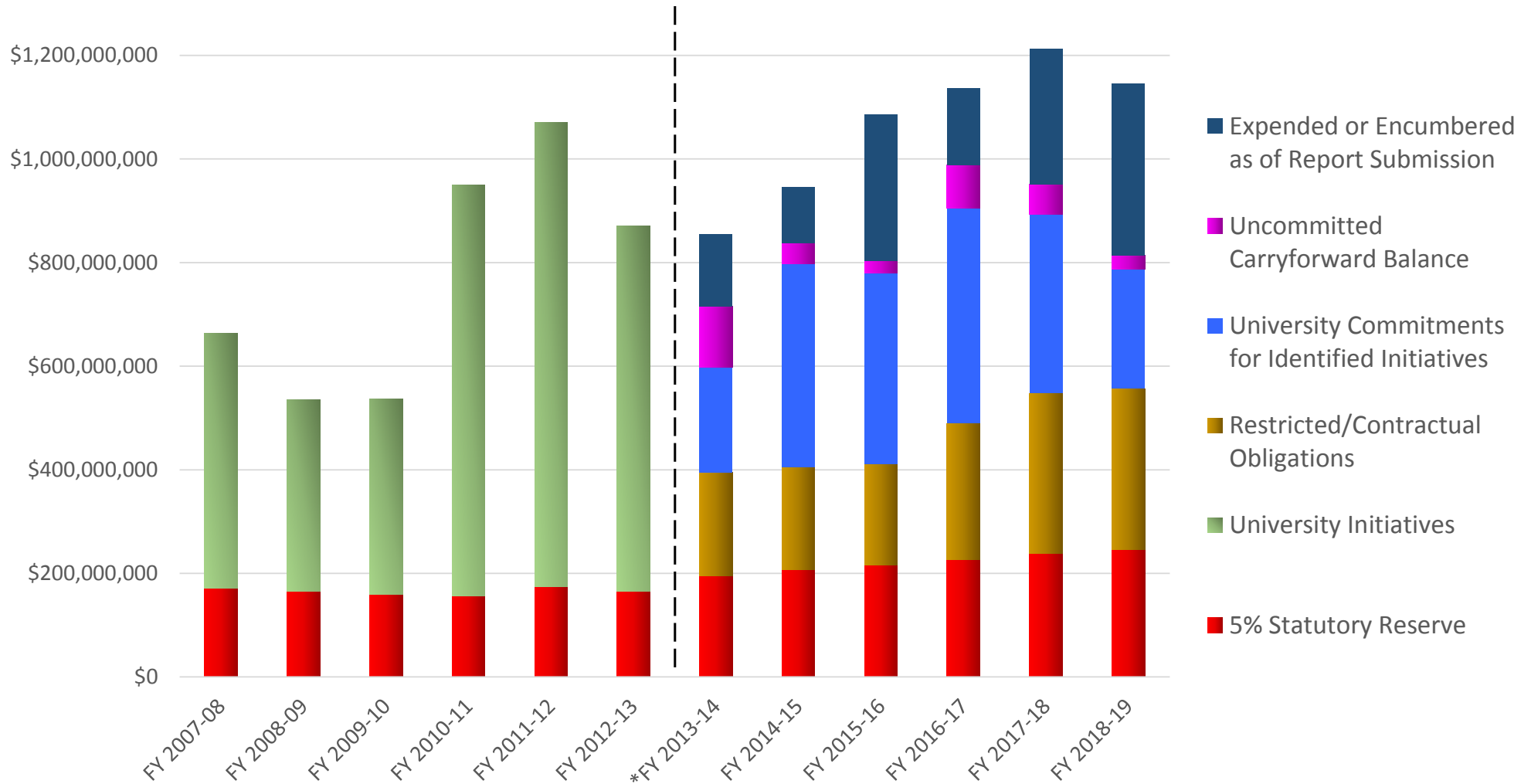
The expenditure of funds would be approved by the University Board of Trustees and Board of Governors (earliest approval at the January 30-31 board meeting). Expenditure plans would be submitted to the Board office by January 4, 2019.

The Board would consider each university plan based on its own merits and how it addresses strategic priorities listed above. Follow-up reporting will be required.

¹ Board Regulation 1.001(6) Financial Management delegates to the Boards of Trustees the responsibility for fiscal management of their university. This proposal will supersede that regulation when it comes to the use of certain carryforward funds.



Total Educational & General Carryforward



*Beginning with FY 2013-14, reporting of beginning E&G carryforward balances was enhanced to include two major system-wide categories : 1) Restricted / Contractual - items for which a legal obligation has been incurred or legislative mandate exists, and 2) Commitments – university plans for carryforward funds that as of the reporting date have not been legally assigned.



AGENDA

Board of Governors Foundation, Inc.

Live Oak Pavilion

Student Union

Florida Atlantic University

777 Glades Road

Boca Raton, Florida 33431

November 8, 2018

3:15 p.m. – 3:30 p.m.

or

Upon Adjournment of the Board of Governors' Meetings

- | | | |
|-----------|--|---|
| 1. | Call to Order and Opening Remarks | Chair Ned Lautenbach |
| 2. | Foundation Meeting Minutes
Minutes: November 9, 2017 | Chair Lautenbach |
| 3. | Election of 2019 Foundation Officers | Chair Lautenbach |
| 4. | 2019 Operating Budget | Chair Lautenbach |
| 5. | Investment Performance Update | Chair Lautenbach
Mr. Kevin Schmid
<i>CapTrust Advisors, LLC</i> |
| 6. | Concluding Remarks and Adjournment | Chair Lautenbach |

**STATE UNIVERSITY SYSTEM OF FLORIDA
FLORIDA BOARD OF GOVERNORS FOUNDATION, INC.**

November 8, 2018

SUBJECT: Meeting Minutes from November 9, 2017

PROPOSED FOUNDATION ACTION

Approval of minutes of meeting held on November 9, 2017.

AUTHORITY FOR BOARD OF GOVERNORS FOUNDATION, INC. ACTION

Florida Board of Governors Foundation, Inc. By-laws

BACKGROUND INFORMATION

Foundation members will review and approve the minutes of the meeting held on November 9, 2017, at University of Central Florida.

Supporting Documentation Included: Minutes: November 9, 2017

Facilitators/Presenters: Chair Ned Lautenbach

MINUTES
FLORIDA BOARD OF GOVERNORS FOUNDATION, INC.
UNIVERSITY OF CENTRAL FLORIDA
ORLANDO, FLORIDA
NOVEMBER 9, 2017

*Video or audio archives of the meetings of the Board of Governors
are accessible at <http://www.flbog.edu/>.*

1. Call to Order

Mr. Kuntz convened the meeting of the Foundation at 3:10 p.m. Members present were Tim Cerio; Pat Frost; H. Wayne Huizenga, Jr.; Darlene Jordan; Ned C. Lautenbach; Syd Kitson; Alan Levine; Wendy Link; Ed Morton; Jay Patel; Kishane Patel; Pam Stewart; Norman Tripp; Gary Tyson; Fernando Valverde; and Zach Zachariah.

2. Approval of Committee Meeting Minutes from November 3, 2016

Mr. Lautenbach moved the adoption of the November 3, 2016, meeting minutes as presented. Mr. Tripp seconded the motion, and members of the Foundation concurred.

3. Election of 2018 Foundation Officers

Ms. Jordan moved the adoption of Mr. Lautenbach as Chair, Mr. Kitson as Vice-Chair, Ms. Vikki Shirley as Secretary, and Mr. Tim Jones as Treasurer. Ms. Frost seconded the motion, and members of the Foundation concurred.

4. Approve 2018 Operating Budget

Mr. Lautenbach moved the adoption of the 2018 operating budget as presented. Mr. Tripp seconded the motion, and members of the Foundation concurred.

5. Investment Performance Update

In 2014, the Foundation adopted an Investment Policy Statement and subsequently engaged CapTrust as the investment manager for the foundation's \$5 million endowment for first generation scholarships.

Pursuant to our investment policy statement, our investment manager is supposed to meet with us annually to review the portfolio structure, strategy, and investment performance.

Mr. John Frady from CapTrust provided an update on the Board's investment.

Mr. Frady provided an update on the Board's investment. With the recent increase in the market, earnings have exceeded the targets. The total investment exceeds \$5.4 million, and that is after \$200,000 was liquidated to provide scholarships for first generation students.

6. Concluding Remarks and Adjournment

Having no further business, the meeting was adjourned at 3:14 p.m.

Tim Jones, Treasurer

Tom Kuntz, Chair

**STATE UNIVERSITY SYSTEM OF FLORIDA
FLORIDA BOARD OF GOVERNORS FOUNDATION, INC.**

November 8, 2018

SUBJECT: Election of 2019 Foundation Officers

PROPOSED FOUNDATION ACTION

Election of 2019 Officers: Chairperson; Vice Chairperson; Secretary; and Treasurer

AUTHORITY FOR BOARD OF GOVERNORS FOUNDATION, INC. ACTION

Florida Board of Governors Foundation, Inc. By-laws

BACKGROUND INFORMATION

The Foundation operates on a calendar year basis and elects officers each year to serve for a one-year term. This election takes place at the last meeting of the calendar year for the officers that will serve for the next calendar year.

The Foundation by-laws outline the following qualifications for membership:

The members of the Florida Board of Governors shall be members of the Foundation Board. In addition, other persons shall be eligible for active membership in this corporation who have been duly elected by a majority of all the members of the Corporation at any annual or special meeting of the members.

In the past, the Chair, Vice Chair, and the Corporate Secretary for the Florida Board of Governors have been elected to the Chairperson, Vice Chairperson, and Secretary, respectively, of the Foundation. Additionally, the Treasurer has been elected by a majority of the Foundation's Board members.

2018 Officers were:

Chairperson – Ned Lautenbach
Secretary – Vikki Shirley

Vice Chairperson – Syd Kitson
Treasurer – Tim Jones

Supporting Documentation Included: 1. Foundation Articles of Incorporation
2. Foundation By-laws

Facilitators/Presenters: Chair Ned Lautenbach

AMENDED AND RESTATED

ARTICLES OF INCORPORATION

OF

**FLORIDA BOARD OF GOVERNORS FOUNDATION, INC.
(formerly known as FLORIDA BOARD OF REGENTS FOUNDATION, INC.)
A FLORIDA CORPORATION NOT FOR PROFIT**

These Amended and Restated Articles of Incorporation, which did not require member approval pursuant to Article IX of the Corporation's original Articles of Incorporation and Florida law, were approved by a majority of the Board of Directors on April 30, 2003.

ARTICLE I

NAME AND ADDRESS

The name of this Corporation shall be: **FLORIDA BOARD OF GOVERNORS FOUNDATION, INC.** The principal office of the Corporation is located at 325 West Gaines Street, Tallahassee, Florida 32399, and the mailing address is 325 West Gaines Street, Tallahassee, Florida 32399.

ARTICLE II

CORPORATE EXISTENCE

The Corporation shall have perpetual existence.

ARTICLE III

CORPORATE PURPOSES

The Corporation shall be a nonprofit, nonsectarian organization formed and operated exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, which purposes shall be to encourage, solicit, receive and administer gifts

and bequests of property and funds for scientific, educational and charitable purposes, all for the advancement of the State University System of Florida and its objectives; and to that end to take and hold, for any of said purposes, funds and property of all kinds, subject only to any limitations or conditions imposed by law or in the instrument under which received; to buy, sell, lease, convey and dispose of any such property and to invest and reinvest any proceeds and other funds, and to deal with and expend the principal and income for any of said purposes; and, in general, to exercise any, and all powers which a corporation not for profit organized under the laws of Florida for the foregoing purposes can be authorized to exercise. The Corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code and to which deductible contributions may be made under Sections 170, 2055, or 2522 of the Internal Revenue Code, as applicable. No part of the assets or the net earnings of the Corporation shall inure to the benefit of any officer, director, member, or any other person. No substantial part of the activities of the Corporation shall be dedicated to attempting to influence legislation by propaganda or otherwise. The Corporation shall not participate or intervene in any political campaign on behalf of any candidate for public office.

During any period that the Corporation may be found to be a private foundation, as defined by Section 509(a) of the Internal Revenue Code, the Corporation shall: (1) distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942(a); (2) not engage or be involved in any act of self-dealing, as defined in Section 4941(d), so as to give rise to any liability for the tax imposed by Section 4941(a); (3) not retain any excess business holdings as defined in Section 4943(c), so as to give rise to any liability for the tax imposed by Section 4943(a); (4) not make any investments which

would jeopardize the carrying out of any of its exempt purposes, within the meaning of Section 4944, so as to give rise to any liability for the tax imposed by Section 4944(a); and (5) not make any taxable expenditures, as defined in Section 4945(d), so as to give rise to any liability imposed by Section 4945(a). Unless otherwise indicated, as used in this Article III and hereinafter, all section references are to the Internal Revenue Code of 1986, as amended, including any corresponding provisions of any subsequently enacted federal tax laws.

ARTICLE IV

CORPORATE POWERS

The Corporation shall have and exercise all powers accorded corporations not for profit under the laws of the State of Florida which are not in conflict with the Corporation's exempt purposes as provided in Article III above.

ARTICLE V

CAPITAL STOCK

The Corporation shall not have capital stock.

ARTICLE VI

MEMBERS

The Corporation shall have no voting members. The Board of Directors may authorize the establishment of nonvoting membership from time to time. The designation of one or more classes of membership, the qualifications and rights of the members of each class, and the manner of their admission to membership shall be regulated by the Bylaws of the Corporation.

ARTICLE VII

BOARD OF DIRECTORS

The powers of the Corporation shall be exercised by or under the authority of, and the affairs of the Corporation shall be managed under the direction of, a Board of Directors, the number of which may be either increased or decreased from time to time as regulated by the Bylaws but shall consist of not fewer than nine. The manner and method of election of the Board of Directors shall be as stated in the Bylaws of the Corporation. Where not inconsistent with Chapter 617, Florida Statutes, and the express provisions of these Articles of Incorporation, the Board of Directors shall have all the rights, powers, and privileges prescribed by law of directors of corporations for profit.

The Board of Directors of the Corporation shall consist of the seventeen (17) members of the Florida Board of Governors, as set forth below, who shall hold office for such terms as provided in the Bylaws of the Corporation and until their successors have been elected and qualified or until their earlier resignation, removal from office, inability to act, or death:

<u>Director</u>	<u>Address</u>
Pamela “Pam” Bilbrey	325 West Gaines Street Tallahassee, FL 32399
Dr. Castell V. Bryant	325 West Gaines Street Tallahassee, FL 32399
John Dasburg	325 West Gaines Street Tallahassee, Florida 32399
Miguel De Grandy	325 West Gaines Street Tallahassee, Florida 32399
Rolland Heiser	325 West Gaines Street Tallahassee, Florida 32399
Gerri Moll	325 West Gaines Street Tallahassee, Florida 32399

Joan Wellhouse Newton	325 West Gaines Street Tallahassee, Florida 32399
Ava L. Parker	325 West Gaines Street Tallahassee, Florida 32399
Thomas F. Petway, III Chairman	325 West Gaines Street Tallahassee, Florida 32399
Carolyn K. Roberts Vice Chairman	325 West Gaines Street Tallahassee, Florida 32399
Chris Sullivan	325 West Gaines Street Tallahassee, Florida 32399
John W. Temple	325 West Gaines Street Tallahassee, Florida 32399
Steven Uhlfelder	325 West Gaines Street Tallahassee, Florida 32399
Zachariah P. Zachariah	325 West Gaines Street Tallahassee, Florida 32399
Jim Horne	325 West Gaines Street Tallahassee, Florida 32399
Dr. Richard W. Briggs	325 West Gaines Street Tallahassee, Florida 32399
Pablo E. Paez	325 West Gaines Street Tallahassee, Florida 32399

ARTICLE VIII

AMENDMENTS

These Articles of Incorporation may be amended by the affirmative vote of at least three-fifths of the members of the Board of Directors present at any regular or special meeting provided proper notice of the changes to be made has been given and a quorum is present, or without a meeting if a consent in writing, signed by the number of Directors whose votes would be necessary to authorize such amendment at a meeting, is filed in the minutes of the Corporation. Within ten days after obtaining such authorization by written consent, notice summarizing the action shall be given to those Directors who have not consented in writing.

ARTICLE IX

DISSOLUTION

Upon dissolution, all of the Corporation's assets remaining after payment of all costs and expenses of such dissolution shall be distributed to the Florida Board of Governors or its successor in interest, to be used exclusively for the purposes set forth in Article III above. None of the assets shall be distributed to any officer, director, or member of the Corporation, or any other person or organization not described in the preceding sentence.

ARTICLE X

REGISTERED OFFICE AND REGISTERED AGENT

The street address of the Registered Office of the Corporation is 325 West Gaines Street, Tallahassee, Florida 32399, and the name of the Registered Agent at such address is **THOMAS F. PETWAY, III.**

IN WITNESS WHEREOF, I have executed these Articles of Incorporation of **FLORIDA BOARD OF GOVERNORS FOUNDATION, INC.**, on this 30th day of April, 2003.

THOMAS F. PETWAY, III
Chairman

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me this ____ day of _____, 2003, by **THOMAS F. PETWAY, III**, as Chairman of **FLORIDA BOARD OF GOVERNORS FOUNDATION, INC.**, a Florida corporation not-for-profit, () who is personally known to me, or () who has produced _____ [type of identification] as identification.

Signature of Notary Public
Notary Stamp/Seal:



Florida Board of Governors Foundation, Inc. By-Laws

Location of Offices

The principal office of the Board of Governors Foundation, Inc. shall be maintained in Tallahassee, Florida.

Annual Meeting

The annual meeting of the active members of this Corporation shall be held on the call of the Chairperson.

This meeting shall be presided over by the Chairperson of the Directors, and in case of the absence of the Chairperson by the Vice-chair of the Board of Directors.

The principal item of business at this meeting shall be the election of the officers of the Corporation and the adoption of the annual budget.

Following the election of officers and the adoption of the budget, other business as may come before the body may be transacted.

At the meeting, a majority of the active members shall constitute a quorum and a majority of those present may transact any business before the body.

Qualifications for Membership

The members of the Florida Board of Governors shall be members of the Foundation Board. In addition, other persons shall be eligible for active membership in this corporation who have been duly elected by a majority of all the members of the Corporation at any annual or special meeting of the members.

Board of Directors

The duties of the Board of Directors shall be as follows:

1. To discharge faithfully all the duties imposed upon it by the Charter of this Corporation and to see that all other provision of said charter are properly executed.
2. To meet upon the call of (1) the Chairperson of the Board, or (2) any three members of the Board.
3. To select a bank or banks or other depositories for the deposit of the funds and securities in the banks or other depositories designated, and to cause said bank or banks or other depositories to pay out said funds and deliver said securities only upon checks, vouchers, or other orders signed either by the Chairperson, the Treasurer, Vice-Chair or the Secretary of this Corporation.



4. If specifically approved by the Board, require the Treasurer and such other persons as receive, collect, or otherwise handle funds of this Corporation a good and sufficient bond for the faithful performance of their duties in connection therewith.
5. To cause an audit of the books of the Treasurer to be made as soon as practicable after the close of the fiscal year of the Corporation and to have it reported to the Chairperson of this Corporation at once and to the Board of Directors at their next meeting thereafter; provided that in case of vacancy in the office of the Treasurer, such audit shall be made and reported immediately.
6. To appoint and employ such individuals as may be necessary to carry on the activities of this Foundation.

Duties of Officers

Chairperson – The duties of the Chairperson shall be as follows:

1. To preside at all meetings of the Board of Directors.
2. To join with the Secretary in signing the name of this Corporation to all papers, documents and writings requiring the signature of this Corporation, except as herein otherwise provided.
3. To see that the orders of the Board of Directors are carried out promptly or to advise said Board if its orders are not carried out.
4. To hold office until a successor is appointed and enters upon the discharge of the duties of the office.

Vice-Chairperson – The duties of the Vice-Chair shall be as follows:

1. To perform the duties of the Chair during the absence or incapacity of that officer.
2. To hold office until a successor is appointed and enters upon the discharge of the duties of the office.

Secretary – The duties of the Secretary shall be as follows:

1. To attend meetings of the Corporation and all meeting of the Board of Directors.
2. To keep accurate minutes of the proceedings of all afore-said meetings and preserve same in a book of such nature as to serve as a permanent record.
3. To keep on record a copy of the Charter of this Corporation and a copy of the By-Laws.
4. To join with the Chair in signing the name of this Corporation to all papers, documents and writing requiring the signature of this Corporation, except as herein otherwise provided.
5. To keep the seal of this Corporation and affix same to such official documents, records and papers as may be required.
6. To carry on such of the general correspondence of this Corporation as may be assigned by the Chairman of the Board of Directors.
7. To keep an accurate list of all active, associate, sustaining and honorary members of this Corporation.
8. To hold office until a successor is appointed and enters upon the discharge of the duties of the office.
9. To present written reports as necessary.



Treasurer – The duties of the Treasurer shall be as follows:

1. To receive and have the care and custody of all the funds and securities of this Corporation and to deposit same in the name of this Corporation and to deposit same in the name of this Corporation in such bank, or banks, or other depositories as may be selected by the Board of Directors.
2. To sign all checks, vouchers, or other orders drawn upon the bank or banks or other depositories in which the funds and securities of this Corporation are deposited, except that other officers as specified elsewhere in these by-laws may sign such checks, vouchers or other orders in the stead of the Treasurer.
3. If specifically required by the Board, give such bond for the faithful performance of the duties of the office may require.
4. To account to the successor in office for all funds and securities which were listed on the books at the time of the last audit and all funds and securities which have come to the Treasurer since the last audit of the books of the office and deliver over to the successor such funds and securities which remain on hand upon the appointment and qualification of said successor.

Compensation of Officials

The directors and officers of this Corporation shall not receive any compensation from this Corporation for their services as director or officer; provided, however, that they may, upon order by the Board of Directors, be reimbursed from the funds of the Corporation for any traveling expenses or other expenditures incurred by them in the proper performance of their duties.

Filling Vacancies

Whenever a vacancy occurs in any office or on the Board of Directors of this Corporation, it shall be filled by appointment made by the Chairperson of the Board of Directors immediately upon notice of such vacancy.

The newly appointed member or officer shall act during the remainder of the unexpired term of the predecessor.

Seal

The seal of this Corporation shall be in the form of a circle and shall bear, among other things, the name of the Corporation and the date of its incorporation.

Amending By-Laws

These By-Laws may be amended only at a regular or special meeting for this purpose, written notice shall be given to each active member of this Corporation at least five days before the date set for the meeting, and such notice shall indicate the provision sought to be amended and the nature of the amendment proposed to be adopted.

**STATE UNIVERSITY SYSTEM OF FLORIDA
FLORIDA BOARD OF GOVERNORS FOUNDATION, INC.**

November 8, 2018

SUBJECT: 2019 Operating Budget

PROPOSED FOUNDATION ACTION

Approve the 2019 operating budget for the Board Foundation.

AUTHORITY FOR BOARD OF GOVERNORS FOUNDATION, INC. ACTION

Florida Board of Governors Foundation, Inc. By-laws

BACKGROUND INFORMATION

The Foundation operates on a calendar year basis pursuant to an approved operating budget. The approval of an impending year's proposed budget takes place at the last meeting of the current calendar year. The proposed budget represents a continuation of educational initiatives and activities of the Foundation.

During the 2018 year, the Foundation has been very active in supporting activities of the Chancellor, the Board, system meetings, and, most notably, providing funds to the universities in support of student scholarships.

The 2018 budget adopted by the Foundation is on track. For revenues, the state was able to provide the match for the Johnson Foundation gift as outlined in Florida Statute. By the end of the calendar year, the Foundation will distribute over \$600,000 for Johnson scholarships. Through the investments earned on the Helios Scholarships, and managed by CapTrust, the Foundation was able to distribute \$220,000 for first-generation scholarships.

The 2019 budget proposed is consistent with previous year's budgets. Expenditures are expected to be approximately the same as 2018.

Supporting Documentation Included:

1. 2018 Operating Budget and Year-to-Date Expenditures
2. Proposed 2019 Operating Budget

Facilitators/Presenters: Chair Ned Lautenbach



Florida Board of Governors Foundation, Inc.
2018 Operating Budget
as of August 30, 2018

-----Budget Adopted for 2018-----					Actual Revenues / Expenditures August	Over (Under) Budget
	General Account	Theodore & Vivian Johnson Grant Account	Helios First Generation Account	Total All Accounts		
<u>REVENUES</u>						
Johnson Donation	\$0	\$450,000	\$0	\$450,000	\$475,000	\$25,000
Johnson Donation State Match		\$225,000	\$0	\$225,000	\$142,500	(\$82,500)
Contributions	\$275,000	\$0	\$0	\$275,000	\$317,891	\$42,891
Interest Earned	\$7,675	\$4,000	\$200,000	\$211,675	\$8,197	(\$203,478)
Total Revenues	<u>\$282,675</u>	<u>\$679,000</u>	<u>\$200,000</u>	<u>\$1,161,675</u>	<u>\$943,587</u>	<u>(\$218,088)</u>
<u>EXPENSES</u>						
Administration	\$5,300	\$0	\$0	\$5,300	\$5,046	(\$254)
Emoluments	\$265,000	\$0	\$0	\$265,000	\$236,223	(\$28,777)
Scholarships/ Awards	\$0	\$650,000	\$200,000	\$850,000	\$598,782	(\$251,219)
Meetings	\$13,000	\$0	\$0	\$13,000	\$5,228	(\$7,772)
Miscellaneous	\$3,500	\$0	\$0	\$3,500	\$1,138	(\$2,362)
Total Expenses	<u>\$286,800</u>	<u>\$650,000</u>	<u>\$200,000</u>	<u>\$1,136,800</u>	<u>\$846,417</u>	<u>(\$290,383)</u>
Net Increase/(Decrease)	(\$4,125)	\$29,000	\$0	\$24,875	\$97,170	
Fund Balance, Beginning 1/1/2018 s(actual)	\$619,930	\$311,686	\$5,710,450	\$6,642,066	\$5,802,096	
Fund Balance, Ending	<u>\$615,805</u>	<u>\$340,686</u>	<u>\$5,710,450</u>	<u>\$6,666,941</u>	<u>\$5,899,266</u>	



**Florida Board of Governors Foundation, Inc.
Proposed 2019 Operating Budget**

	General Account	Theodore & Vivian Johnson Account	Helios First Generation Account	Total All Accounts
<u>REVENUES</u>				
Johnson Donation	\$0	\$475,000	\$0	\$475,000
Johnson Donation State Match	\$0	\$237,500	\$0	\$237,500
Contributions	\$275,000	\$0	\$0	\$275,000
Interest/Investment Earnings	\$8,000	\$3,500	\$210,000	\$221,500
Total Revenues	<u>\$283,000</u>	<u>\$716,000</u>	<u>\$210,000</u>	<u>\$1,209,000</u>
<u>EXPENSES</u>				
Administration	\$5,300	\$0	\$0	\$5,300
Emoluments	\$265,000	\$0	\$0	\$265,000
Scholarships/Awards	\$0	\$650,000	\$210,000	\$860,000
Meetings	\$13,000	\$0	\$0	\$13,000
Miscellaneous	\$3,500	\$0	\$0	\$3,500
Total Expenses	<u>\$286,800</u>	<u>\$650,000</u>	<u>\$210,000</u>	<u>\$1,146,800</u>
Net Increase/(Decrease)	(\$3,800)	\$66,000	\$0	\$62,200
Fund Balance, Beginning 1/1/2019 (estimated)	\$767,108	\$15,000	\$5,560,000	\$6,342,108
Fund Balance, Ending	<u>\$763,308</u>	<u>\$81,000</u>	<u>\$5,560,000</u>	<u>\$6,404,308</u>

**STATE UNIVERSITY SYSTEM OF FLORIDA
FLORIDA BOARD OF GOVERNORS FOUNDATION, INC.**

November 8, 2018

SUBJECT: Investment Performance Update

PROPOSED FOUNDATION ACTION

For information and selection of an investment manager.

AUTHORITY FOR BOARD OF GOVERNORS FOUNDATION, INC. ACTION

Florida Board of Governors Foundation, Inc. By-laws

BACKGROUND INFORMATION

In June, 2014, the Foundation adopted an Investment Policy Statement (IPS) and subsequently engaged CapTrust as the investment manager. CapTrust provided this service at no charge to the Foundation. The Foundation invested the \$5 million donation for Helios Scholarships with Schwab in March, 2015.

In accordance with our agreement, CapTrust will provide an update on the investment portfolio. Representatives will be there to make a presentation.

Supporting Documentation Included: 1. Investment Policy Statement
2. 2nd Quarterly Report

Facilitators/Presenters: Mr. Kevin Schmid, CapTrust



**Florida Board of Governors
Foundation, Inc.**

Investment Policy Statement

June 19, 2014

The Florida Board of Governors Foundation, Inc. is a nonprofit, nonsectarian organization formed and operated exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. The Foundation's purpose is to encourage, solicit, receive and administer gifts and bequests of property for scientific, educational and charitable purposes, all for the advancement of the State University System of Florida.

I. SCOPE OF THIS INVESTMENT POLICY

This investment policy statement has been established by the Florida Board of Governors Foundation, Inc. to govern the investment management of the Helios Education Foundation endowment. The purpose of the endowment is to distribute scholarship funds to the state universities in the State University System to support first generation students. The intent of the Policy is to comply with the requirements of the Florida Uniform Prudent Management of Institutional Funds Act, section 617.2104, Florida Statutes, to ensure prudent management of the assets in order to serve the best interests of students who rely on the distributions from the endowment to assist them with defraying the cost of attaining a postsecondary degree.

II. BOARD MEMBERS' ROLE

- a. The members of the Board of Governors shall be members of the Foundation Board.
- b. The Board shall select a bank or other depositories for the deposit of the funds and securities in the bank or other depositories designated, and to cause said bank or other depositories to pay out said funds and deliver said securities only upon checks, vouchers, or other orders signed either by the Chairperson, Vice-Chair, Treasurer, or the Secretary of this Corporation.
- c. The Board shall project the Foundation's financial needs and communicate those needs to the Investment manager on a timely basis.
- d. The Board shall determine the Foundation's risk tolerance and investment horizon.
- e. The Board shall establish reasonable and consistent investment objectives, policies and guidelines that will direct the investment of the Foundation's assets.
- f. The Board shall prudently and diligently select qualified investment professionals and evaluate their progress towards stated goals.
- g. The Board shall develop and enact proper control procedures: For example, replacing Investment Manager(s) due to fundamental change in investment management process, or failure to comply with established guidelines.

- h. The Board shall review this Investment Policy Statement at least once per year. Changes to this Investment Policy Statement can be made by affirmation of a majority of the Board.

III. INVESTMENT OBJECTIVE

- a. The funds are to be invested with the objective of preserving the long-term, real purchasing power of assets while providing a relatively predictable and growing stream of annual distributions in support of scholarships for first generation students attending a state university.
- b. For the purpose of making distributions, the Board shall refer to the Endowment Gift Agreement among the Helios Education Foundation and the Board of Governors Foundation, Inc..

IV. INVESTMENT PRINCIPLES

- a. Investments shall be made solely in the interest of the beneficiaries of the endowment.
- b. The endowment funds shall be invested with care, skill, prudence and diligence.
- c. Investment of the endowment funds shall be diversified as to minimize the risk of losses.

V. INVESTMENT POLICIES

- a. Asset Allocation Policy –
 - i. The Board recognizes that the strategic allocation of portfolio assets across broadly defined financial asset and sub-asset categories with varying degrees of risk, return, and return correlation will be the most significant determinant of long-term investment returns and asset value stability.
 - ii. The Board recognizes that actual returns and return volatility may vary from expectations and return objectives across short periods of time.
 - iii. The investment manager shall make reasonable efforts to preserve the endowment corpus, understanding that losses may occur in individual securities. However, the investment manager shall make reasonable efforts to control risk.
 - iv. Endowment fund assets will be managed as a balanced portfolio composed of two major components: an equity portion and a fixed income portion. The equity investments will be to maximize the long-term real growth of portfolio assets, while the fixed income investments will be to generate current income, provide for a stable

periodic return, and provide some protection against a prolonged decline in the market value of portfolio equity investments.

- v. Cash investments, under normal circumstances, will only be considered as temporary portfolio holdings, and will be used for fund liquidity needs or to facilitate a planned program of dollar-cost averaging into investments in either or both of the equity and fixed income asset classes.

b. Asset Allocation –

- i. Assets will, under normal circumstances, be allocated across broad asset and sub-asset classes in accordance with the following guidelines, with a fluctuation of up to 10 percent:

Class	Asset Allocation	Allowable Range
Equity	60%	50-70%
Fixed Income	40%	30-50%
Cash	0%	0-10%

VI. SELECTION OF INVESTMENT MANAGER(S)

The Board's selection of an investment manager(s) must be based on due diligence procedures. A qualifying investment manager must be a registered investment advisor under the Investment Advisers Act of 1940, or a bank or insurance company. The Board will require that each investment manager provide, in writing, an acknowledgment of fiduciary responsibility to the Board.

VII. EVALUATION OF PERFORMANCE

- a. The Board will monitor the investment performance against the portfolio stated investment objectives and as set forth below. Annually, the Board will formally assess the portfolio and the performance of the investments as follows:
 - i. The portfolio's composite investment performance (net of fees) will be judged against the following standards:
 - 1. Long-term real return objective.
 - 2. Total return to exceed the performance of a policy index based upon the strategic asset allocation of the endowment fund to various asset classes such as:
 - a. S&P 500
 - b. Russell 3000
 - c. Barclay's Capital U.S. Aggregate Bond Index
 - d. Citigroup 3-month T-bill Index
- b. The performance of professional investment managers hired on behalf of the portfolio will be judged against the following standards:

- i. A market-based index appropriately selected or tailored to the manager's agreed-upon investment objective and the normal investment characteristics of the manager's portfolio.
 - ii. The performance of other investment managers having similar investment objectives.
- c. Investment reports shall be provided by the investment manager on at least a quarterly basis or as more frequently requested by the Board. Each investment manager is expected to be available to meet with the Board at least once per year to review the portfolio structure, strategy, and investment performance.

VIII. SPENDING POLICY

- a. Scholarship disbursements from the endowment will be distributed annually during July. The value of the endowment includes: dividends, realized and unrealized gains. The annual distribution from the endowment fund will be set at 4% of the average market value of the previous 3 years' year-end evaluations. The portfolio value is net of investment management fees. This spending plan will be reviewed annually and recommendations for changes shall be considered by the Board. In no event shall the distribution touch the corpus without the consent of the Helios Education Foundation.
- b. No stocks generally considered speculative in nature shall be purchased. In addition, no short sales, hedging, and margin purchases shall be made.

IX. ADOPTION

The Board adopted this Investment Policy Statement on the 19th day of June, 2014.



FLORIDA BOARD OF GOVERNORS FOUNDATION

PERFORMANCE REVIEW JUNE 30, 2018



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IMPORTANT DISCLOSURES

This report has been compiled from sources believed to be reliable but are not guaranteed to be accurate or complete.

This material has been prepared solely for information purposes and is not a solicitation. Performance reports contain returns that are net of fees. Any depiction of account value/performance is not warranted to be accurate or complete. Please refer to your official monthly/quarterly custodial statements for verification. Past performance does not guarantee future results. CAPTRUST Financial Advisors does not render legal, accounting, or tax advice.

Please contact your CAPTRUST Financial Advisor if your Investment Objectives or your personal or financial situation has changed or if you want to place reasonable restrictions on the management of your investment account(s) or portfolio. You may call direct at 919.870.6822 or 800.216.0645 or email compliance@captrustadvisors.com.

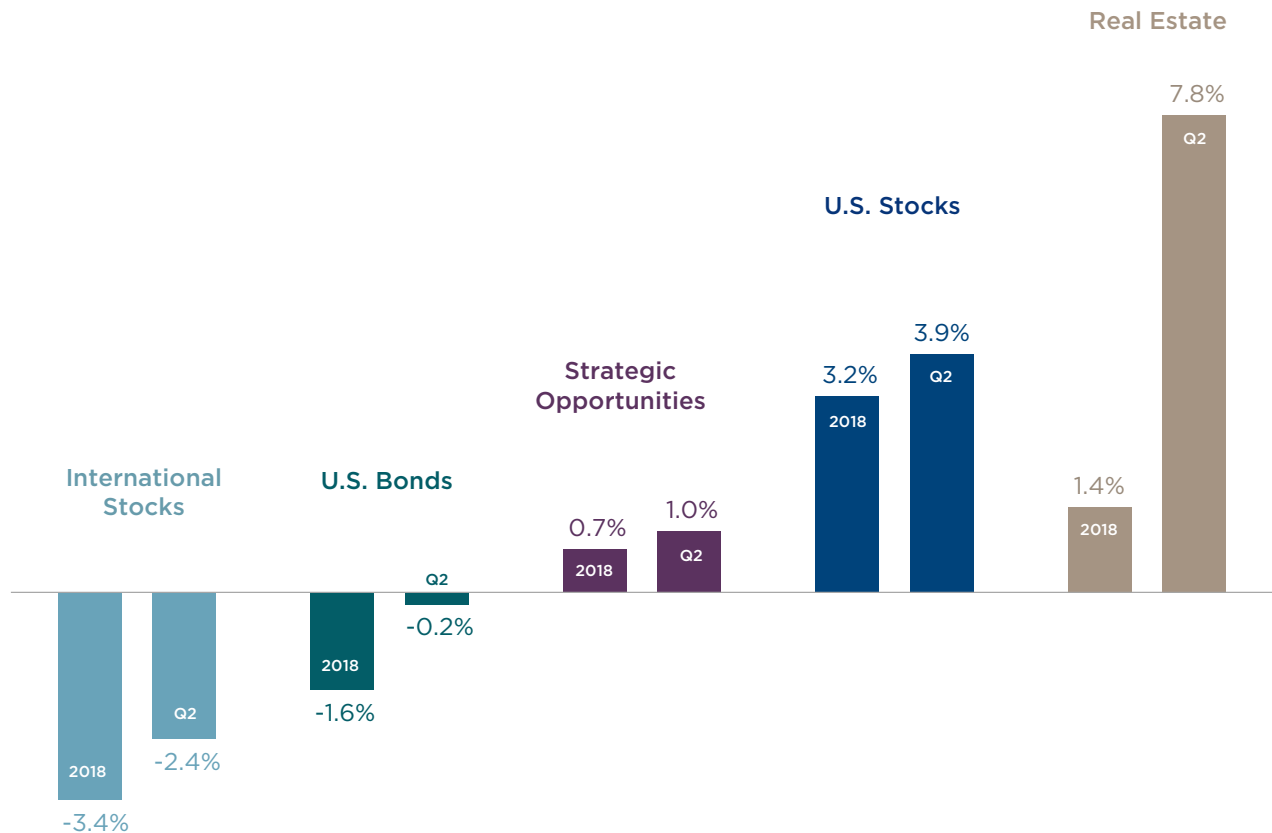
MARKET COMMENTARY

Period Ending 6.30.18 | Q2 18

A LACKLUSTER AND VOLATILE YEAR

U.S. stocks made up their lost ground in the second quarter, but international developed and emerging market stocks continued to slide. Despite a solid U.S. (and global) economy, investor concerns about rising interest rates and escalating trade tensions stirred up market volatility.

- U.S. stocks outpaced international stocks in the second quarter, crawling into positive territory for the year. Strong earnings and economic activity have so far offset concerns about trade tensions.
- International developed stocks logged a small loss in the second quarter, held back by signs of slowing European economic growth and the return of political turmoil.
- Emerging market stocks continue to face headwinds from a stronger U.S. dollar. They are this year's laggards.
- Bonds held their own in the second quarter as interest rates backed off multiyear highs. They have notched a small loss for the year so far.
- Stabilizing interest rates boosted public real estate in Q2, placing the asset class in positive territory for 2018.
- Strategic opportunities have posted a slight gain for the year.



Asset class returns are represented by the following indexes: Russell 3000 Index (U.S. stocks), MSCI All-Country World ex USA Index (international stocks), Bloomberg Barclays U.S. Aggregate Bond Index (U.S. bonds), Dow Jones U.S. Real Estate Index (real estate), and HFRX Absolute Return Index (strategic opportunities).

MARKET COMMENTARY

Period Ending 6.30.18 | Q2 18

DIGGING DEEPER – STOCKS AND BONDS

Equities

	QTD 2018	YTD 2018	Last 12 Months
U.S. Stocks	3.4%	2.7%	14.3%
- Best Sector: Energy	13.5%	6.8%	21.0%
- Worst Sector: Industrials	-3.2%	-4.7%	7.1%
International Stocks	-1.0%	-2.4%	5.9%
Emerging Market Stocks	-7.9%	-6.5%	5.4%

Fixed Income

	6.30.18	3.31.18	6.30.17
1-Year U.S. Treasury Yield	2.33%	2.09%	1.24%
10-Year U.S. Treasury Yield	2.85%	2.74%	2.31%
	QTD 2018	YTD 2018	Last 12 Months
10-Year U.S. Treasury Total Return	-0.23%	-2.36%	-1.73%

Equities – Relative Performance by Market Capitalization and Style

Q2 2018				YTD 2018				2017			
	Value	Blend	Growth		Value	Blend	Growth		Value	Blend	Growth
Large	1.2%	3.4%	5.8%	Large	-1.7%	2.6%	7.3%	Large	13.7%	21.8%	30.2%
Mid	2.4%	2.8%	3.2%	Mid	-0.2%	2.3%	5.4%	Mid	13.3%	18.5%	25.3%
Small	8.3%	7.8%	7.2%	Small	5.4%	7.7%	9.7%	Small	7.8%	14.6%	22.2%

Asset class returns are represented by the following indexes: S&P 500 Index (U.S. stocks), MSCI EAFE Index (international stocks), and MSCI Emerging Markets Index (emerging market stocks). Relative performance by market capitalization and style is based upon the Russell Pure Style Indexes except for large-cap blend, which is based upon the S&P 500 Index. Source: Bloomberg and JP Morgan.

MARKET COMMENTARY

Period Ending 6.30.18 | Q2 18

DIGGING DEEPER: FIXED INCOME MARKET

Interest Rates	3 Month	2 Year	5 Year	10 Year	30 Year	Mortgage Rate
March 2018	1.70%	2.27%	2.56%	2.74%	2.97%	4.27%
June 2018	1.92%	2.53%	2.74%	2.86%	2.99%	4.40%
Change	0.22%	0.26%	0.18%	0.12%	0.02%	0.13%

Interest rates rose across the board, particularly for maturities under 10 years, as the yield curve continued to flatten. Mortgage rates continue to be cheap relative to long-term historical averages, although they have steadily risen from recent lows.

Bloomberg Barclays U.S. Aggregate Bond Index	Yield to Worst	Duration	Total Return	Spread	Treasury Rate	AA Spread	BBB Spread
March 2018	3.12%	6.08		0.41%	2.71%	0.57%	1.38%
June 2018	3.29%	6.01		0.44%	2.85%	0.62%	1.57%
Change	0.17%	-0.07	-0.16%	0.03%	0.14%	0.05%	0.19%

The Bloomberg Barclays U.S. Aggregate Bond Index fell 0.56% over the past quarter, driven primarily by rising interest rates. Widening spreads among BBB-rated issues were a modest contributor to the decline in Q2.

Bloomberg Barclays U.S. Long Credit Index	Yield to Worst	Duration	Total Return	Spread	Treasury Rate	AA Spread	BBB Spread
March 2018	4.40%	13.82		1.48%	2.92%	0.95%	1.85%
June 2018	4.69%	13.41		1.74%	2.95%	1.08%	2.17%
Change	0.29%	-0.41	-2.65%	0.26%	0.03%	0.13%	0.32%

At the long end of the yield curve, spread widening was a bigger driver of performance than rates, particularly for lower-quality bonds.

Source: Bloomberg, CAPTRUST



CAPTRUST

MARKET COMMENTARY

Period Ending 6.30.18 | Q2 18

ECONOMIC OUTLOOK

The global economic picture typically consists of favorable attributes (tailwinds) and challenges (headwinds). Here, we provide our perspective on both and offer our view on which side has the upper hand.

TAILWINDS

Jobs Jump—Job Seekers Sought by Employers

- More job openings than job seekers means full employment and strong consumer spending.

Tax Cut Catalyzes CAPEX and Buybacks, Boosts Confidence

- Stock buybacks and CAPEX have both increased this year due to repatriated cash and higher after-tax corporate profits.
- CAPEX grew 9% in the first quarter compared to last year.
- The NAM's Outlook Survey shows highs for business outlook, expected sales growth, production, employment, capital investments, and employee wage increases.

Stimulus Outweighing Tariff Troubles for Now

- The combination of the stimulus from lower individual and corporate taxes, higher government spending, and repatriation should be enough to outweigh proposed tariffs.

Diversified Portfolios Prove Beneficial

- U.S.-centric small-cap and mid-cap stocks have been a haven in the rough seas of tariff talks.
- PEs have fallen as earnings have grown, even while stock prices have been flat.



HEADWINDS

The U.S. Breaks Away from the Global Pack

- Global synchronized growth is fading. The tax deal has boosted U.S. growth, while Europe, Japan, and China are slowing.
- While geopolitical tensions are ebbing on the Korean peninsula, Italy's new government has increased investors' focus on European issues.

Tariff Negotiation Won't End Soon

- Tit-for-tat Trump tariff talks could lead to a decline in business confidence and corporate reinvestment. Also, concerns about midterm elections could produce more market volatility.
- A stronger dollar, in conjunction with higher U.S. interest rates, has negatively impacted emerging market stocks, even while aiding U.S. small-cap and mid-cap stocks.

Wages Higher—Gas Prices Higher, Too

- Although increasing, wage growth is still modest. If wage growth accelerates, inflation could increase, resulting in reduced consumer spending.
- Gas prices have declined 3% from their peak, but are 20% higher than a year ago, offsetting most of lower-paid workers' tax cuts.



Overall, the global economic backdrop continues to strengthen. Given current valuations, international stocks are more attractively priced than U.S. stocks.



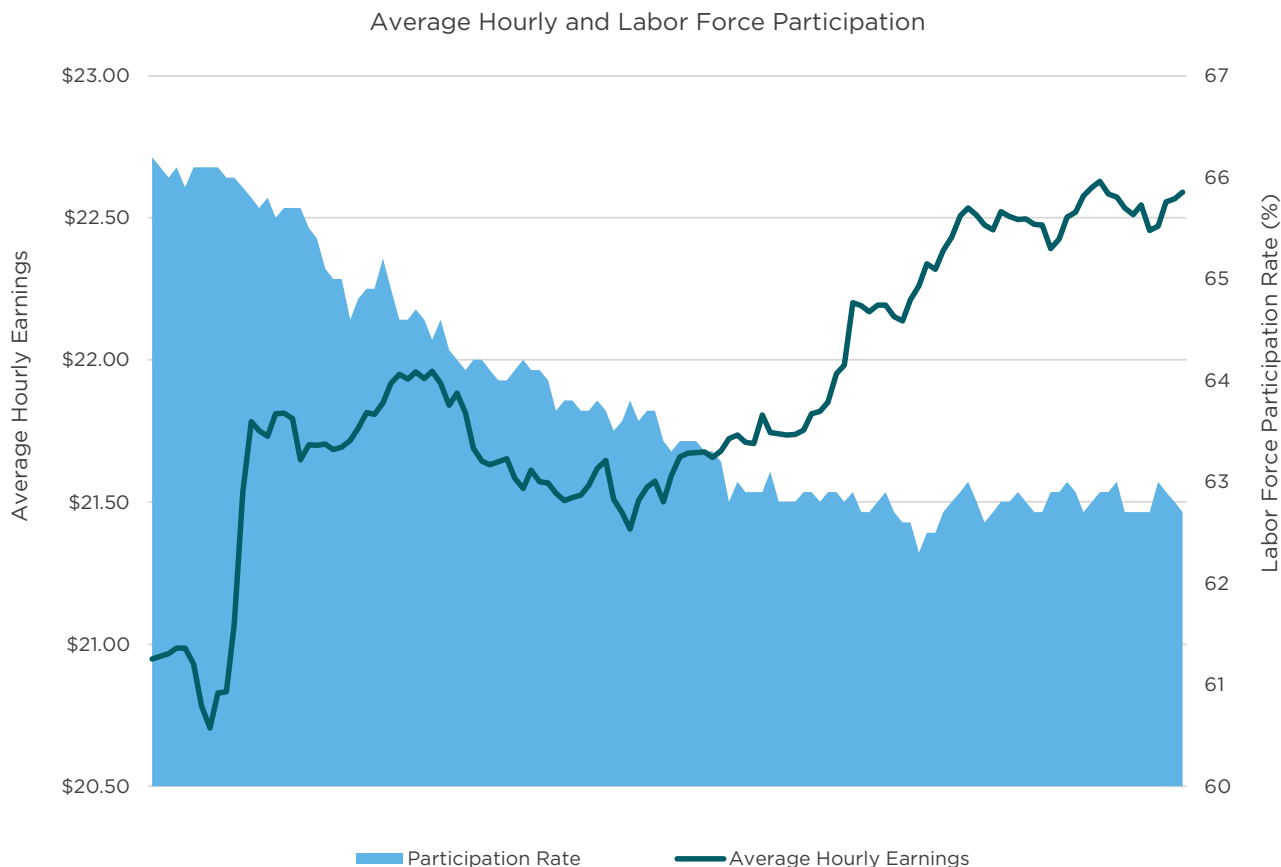
CAPTRUST

MARKET COMMENTARY

Period Ending 6.30.18 | Q2 18

LOW UNEMPLOYMENT BUT STAGNANT WAGE GROWTH?

Despite robust gross domestic product (GDP) growth and historically low unemployment, the growth in wages is slow and runs the risk of a real decline if inflation grows at a faster pace. Given that far more workers rely on wages than investment income and consumer spending's significance to the economy (70% of GDP), this will be a point to watch.



Source: Bureau of Labor Statistics, CAPTRUST

OBSERVATIONS

- Why the tepid growth in wages? One contributing factor may be the labor participation rate, which remains low relative to pre-2008 levels—and far below its peak at 67% in the late 1990s.
- This data series excludes people who are not searching for work.
- If strengthening labor market conditions lure non-participating workers back into the workforce, it could serve as a “shadow supply” of labor that could offset the inflationary pressures of low unemployment.



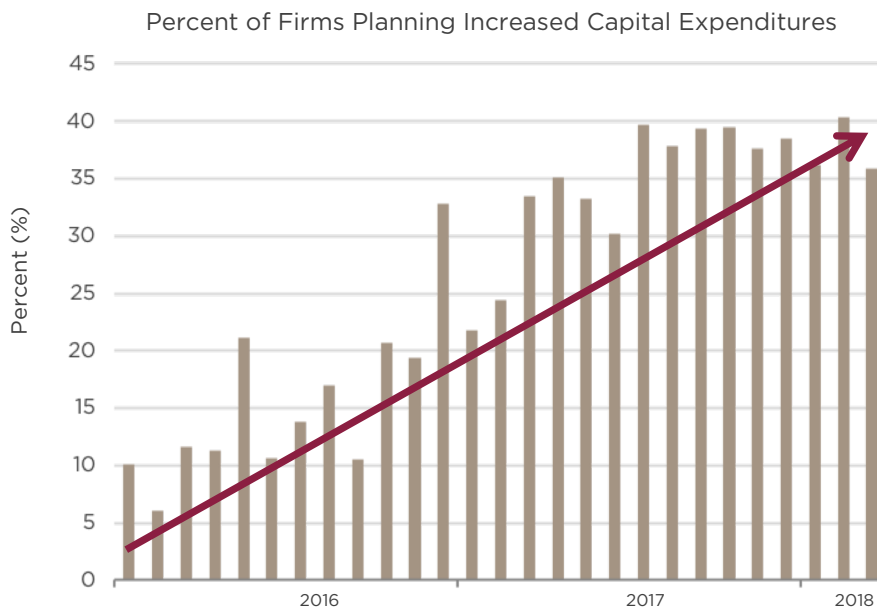
CAPTRUST

MARKET COMMENTARY

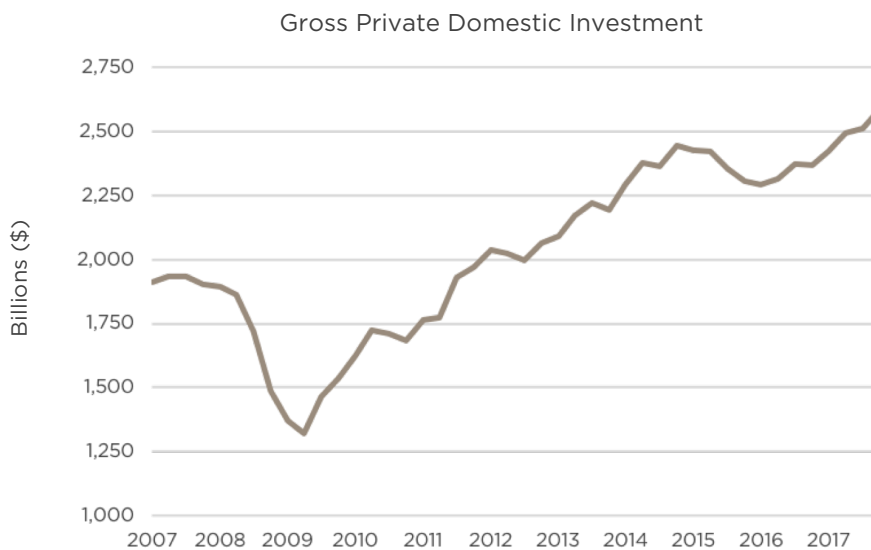
Period Ending 6.30.18 | Q2 18

CAPEX: STRENGTHENING BUSINESS INVESTMENT

Capital expenditures—or CAPEX—are investments by businesses in new property, plants, and equipment, and are, therefore, an important component of current GDP growth. Strengthening domestic business conditions combined with a windfall from corporate tax relief—measured in the hundreds of billions of dollars—and repatriations of overseas cash, have accelerated business reinvestment. S&P 1500 companies reported sharp acceleration in Q1, with capital expenditures up more than 20% year over year, the fastest pace since 2011.



Source: Federal Reserve Bank of Philadelphia



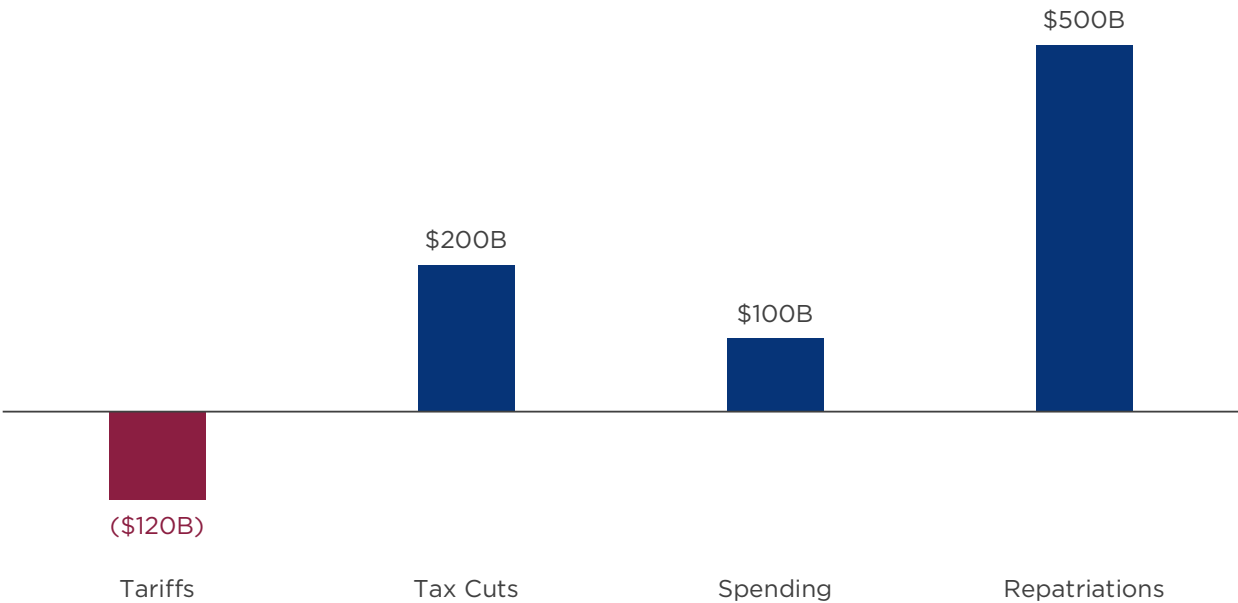
Source: St. Louis Fed/FRED, U.S. Bureau of Economic Analysis

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WEIGHING THE IMPACT OF TARIFFS

With the steady drumbeat of trade tensions and the first set of China tariffs effective on July 6—a 25% duty on \$34 billion of products—there is growing concern that escalation of trade disputes poses a risk to the economy (e.g., manufacturing activity and jobs). A number of U.S. companies with large exposures to China have seen stock price declines, particularly in the semiconductor sector. However, the direct impact of tariffs announced so far pales in comparison to the stimulative impact of tax cuts, fiscal spending, and repatriations—which amount to an \$800 billion shot in the arm.

Estimated Size of Tariffs, Fiscal Policy, and Repatriations in \$Billions (2018)



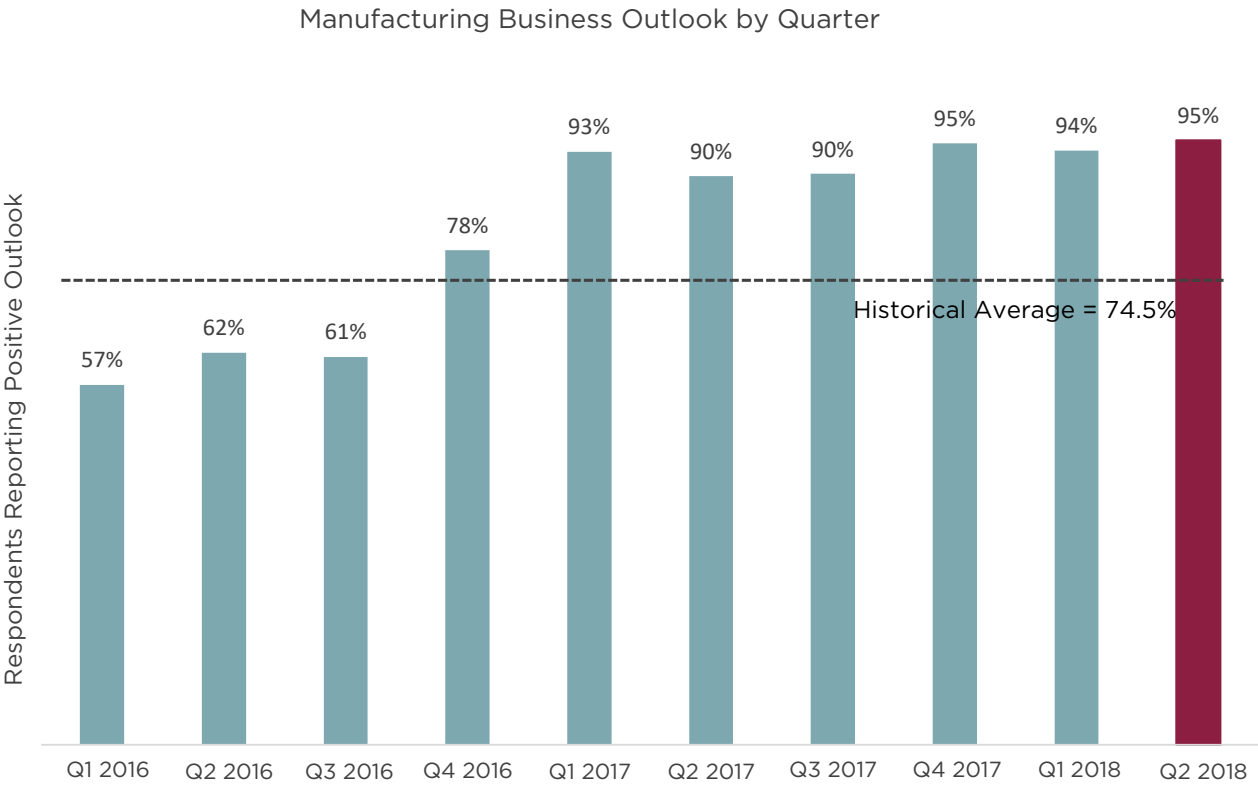
Source: Strategas

MARKET COMMENTARY

Period Ending 6.30.18 | Q2 18

MANUFACTURING BUSINESS OUTLOOK REFLECTS CONFIDENCE

According to the National Association of Manufacturers' Second Quarter Outlook Survey, businesses continue to experience highly elevated levels of activity as a result of pro-growth policies like tax reform, with optimism once again breaking records. More than 95% of respondents were either somewhat or very positive about their companies' outlook, the highest level since the 20-year-old survey was introduced.



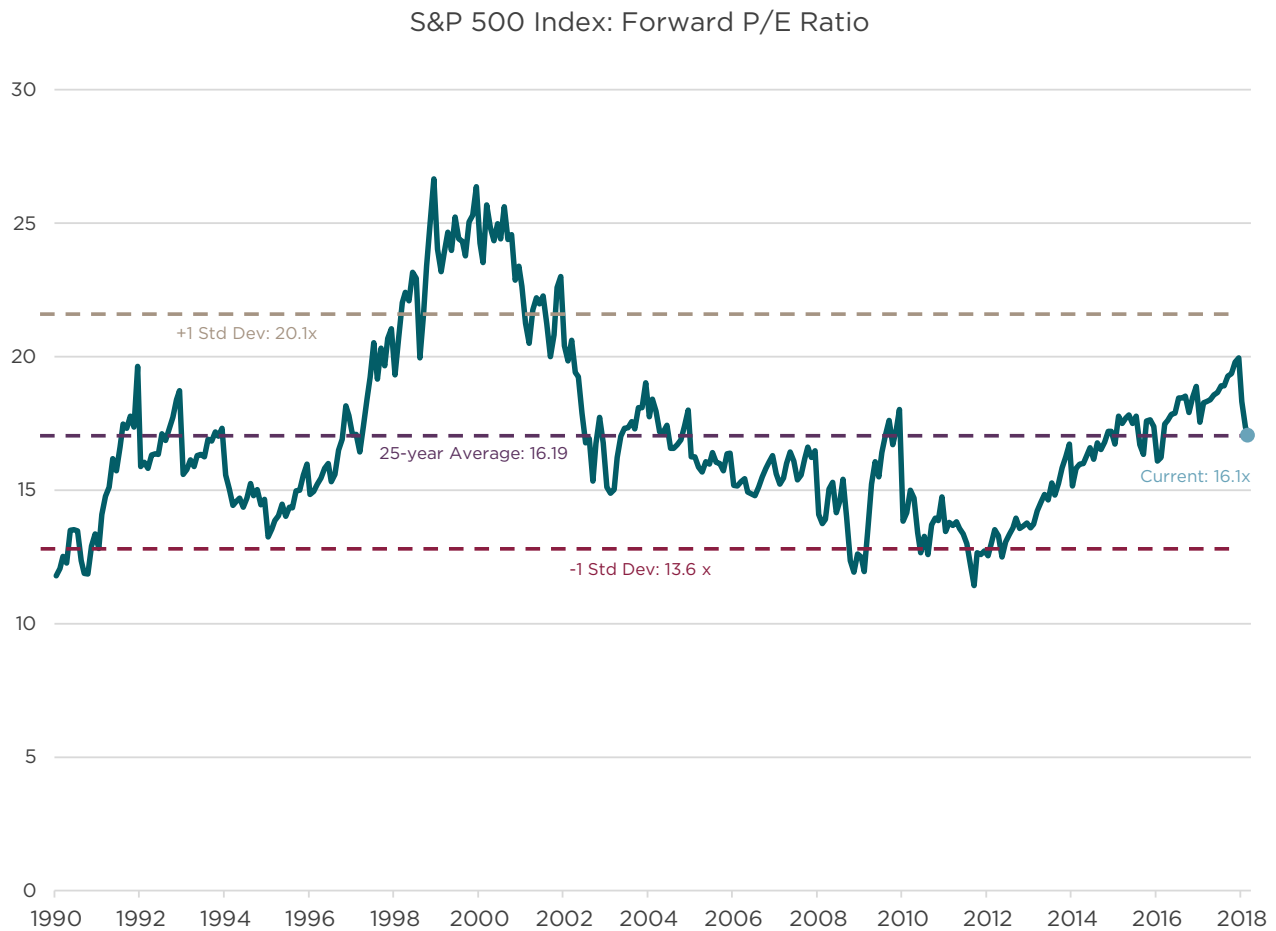
Source: National Association of Manufacturers

OBSERVATIONS

- The business environment is no longer the concern that it once was, with just 19.1% of respondents citing the tax and regulatory climate as a top concern.
- Two years ago, 75% of respondents cited the tax and regulatory climate as their top worry.
- Today, the major concern is the inability to attract and retain a quality workforce.
- Manufacturers are projecting historic growth in production, hiring, wages, and capital investment.

MARKET COMMENTARY

Period Ending 6.30.18 | Q2 18



Source: Bloomberg, J.P. Morgan Asset Management

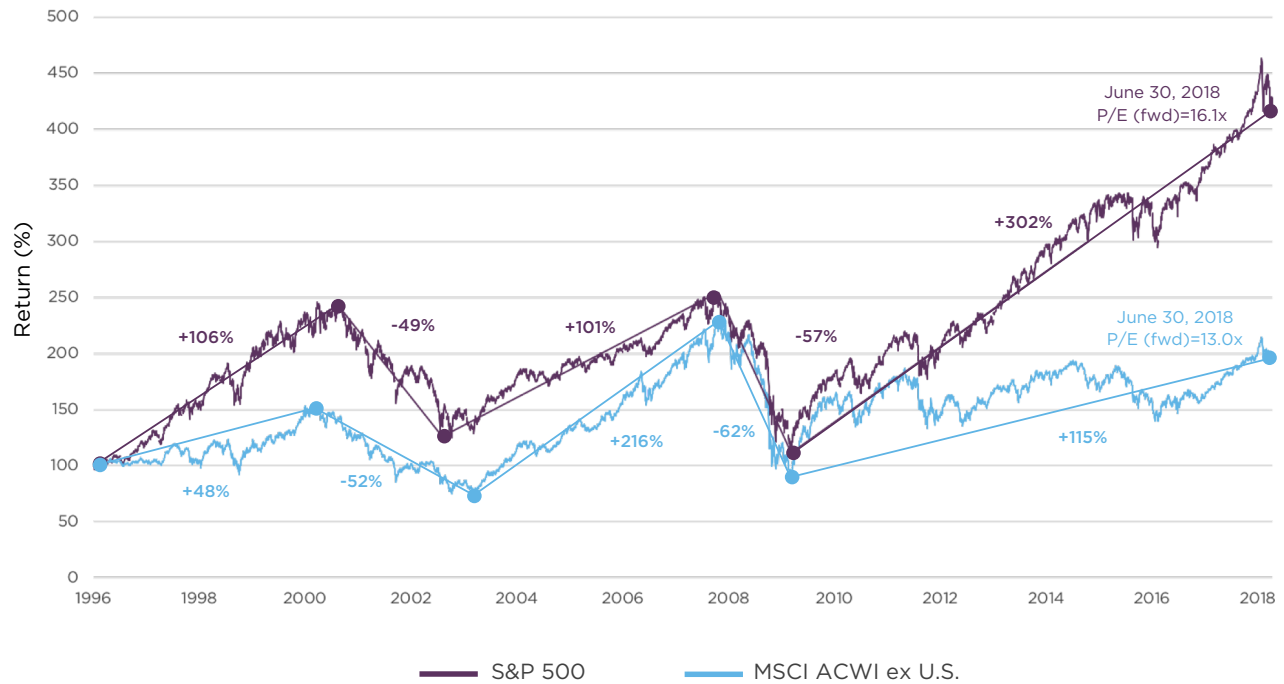
Valuation Measure	Description	Latest	25-year Average*	Std Dev Over-/Under-Valued
P/E	Forward P/E	16.1x	16.1x	0.0
CAPE	Shiller's P/E	32.1	26.6	0.9
Div. Yield	Dividend Yield	2.1%	2.0%	-0.2
P/B	Price to Book	3.0	2.9	0.1
P/CF	Price to Cash Flow	12.0	10.7	0.7
EY Spread	EY Minus Baa Yield	1.4%	-0.2%	-0.8

* Price to Cash Flow calculation is 20 years due to lack of cash flow data.

MARKET COMMENTARY

Period Ending 6.30.18 | Q2 18

S&P 500 and MSCI ACWI Excluding U.S. Index Price Return
(January 1996 = 100)

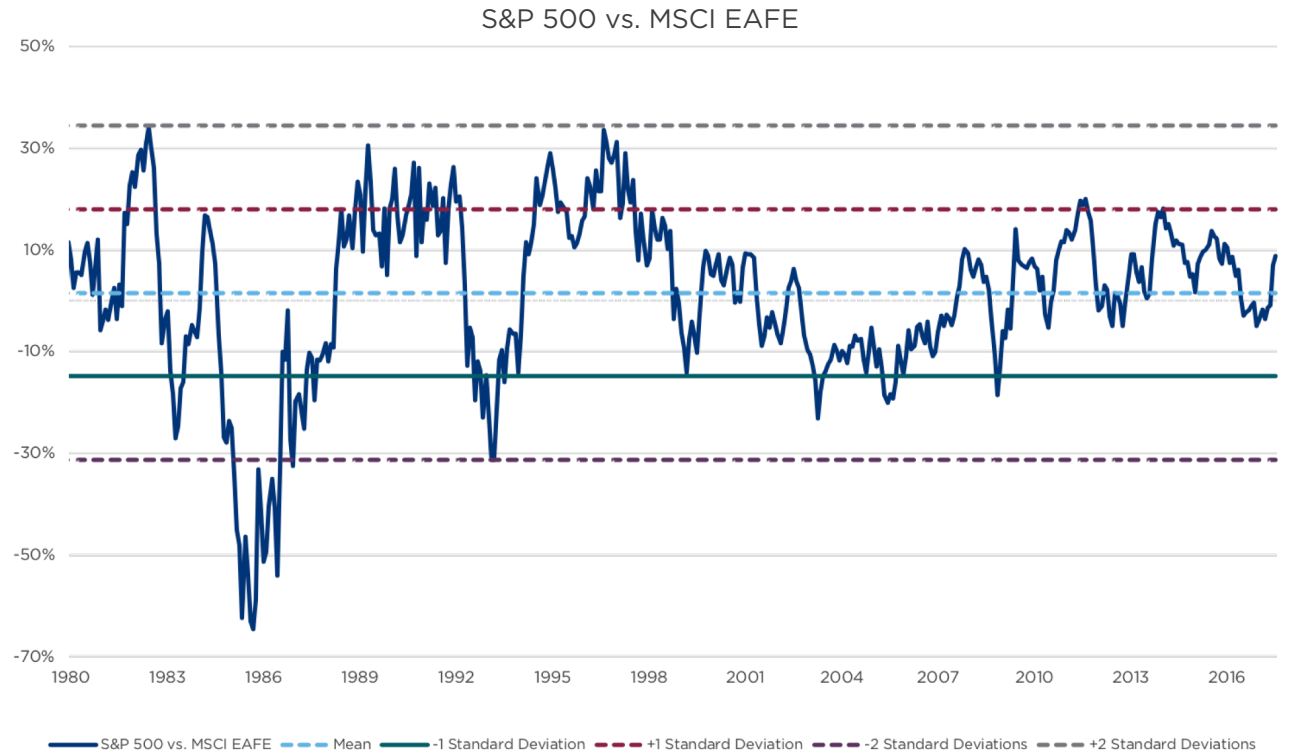
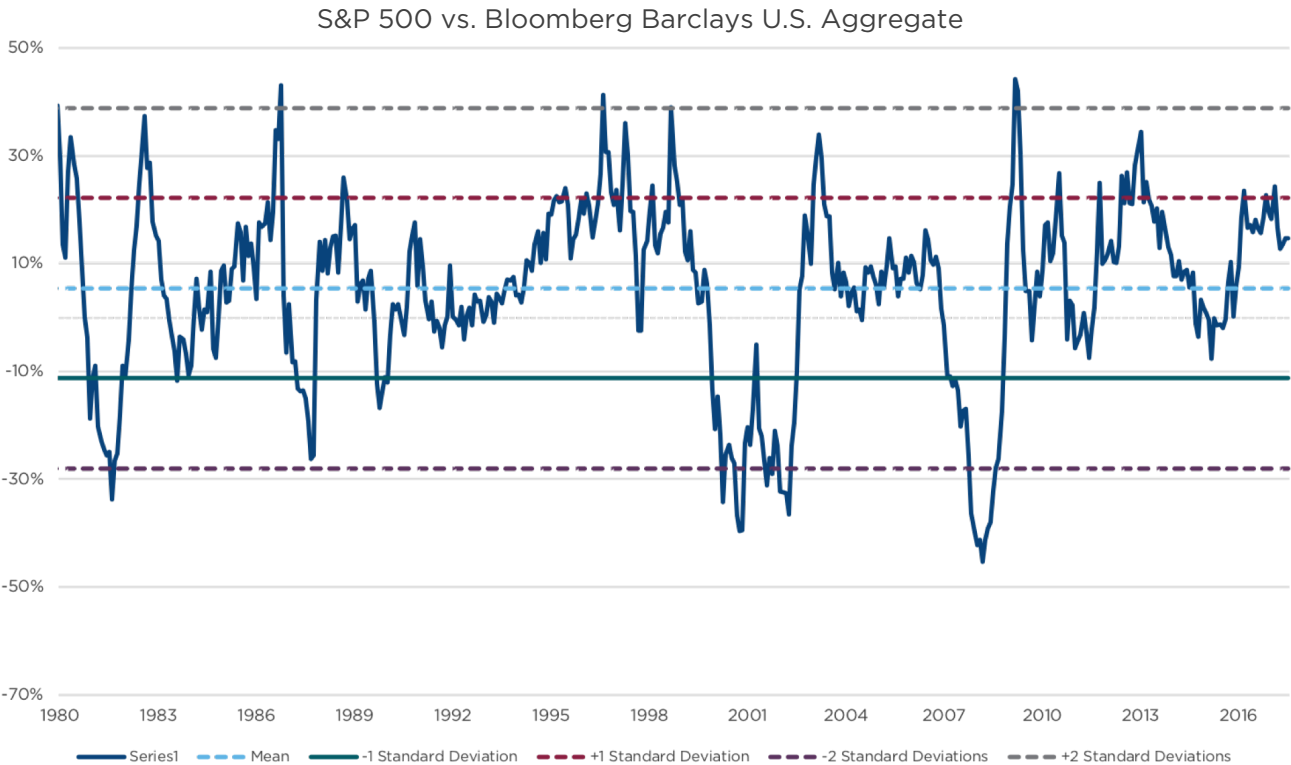


Source: Bloomberg, J.P. Morgan Asset Management

	P/E	20-Yr Avg	Dv Yield	20-Yr Avg
S&P 500	16.1x	15.9x	2.1%	2.0%
ACWI ex-U.S.	13.0x	14.4x	3.3%	3.0%

MARKET COMMENTARY

Period Ending 6.30.18 | Q2 18

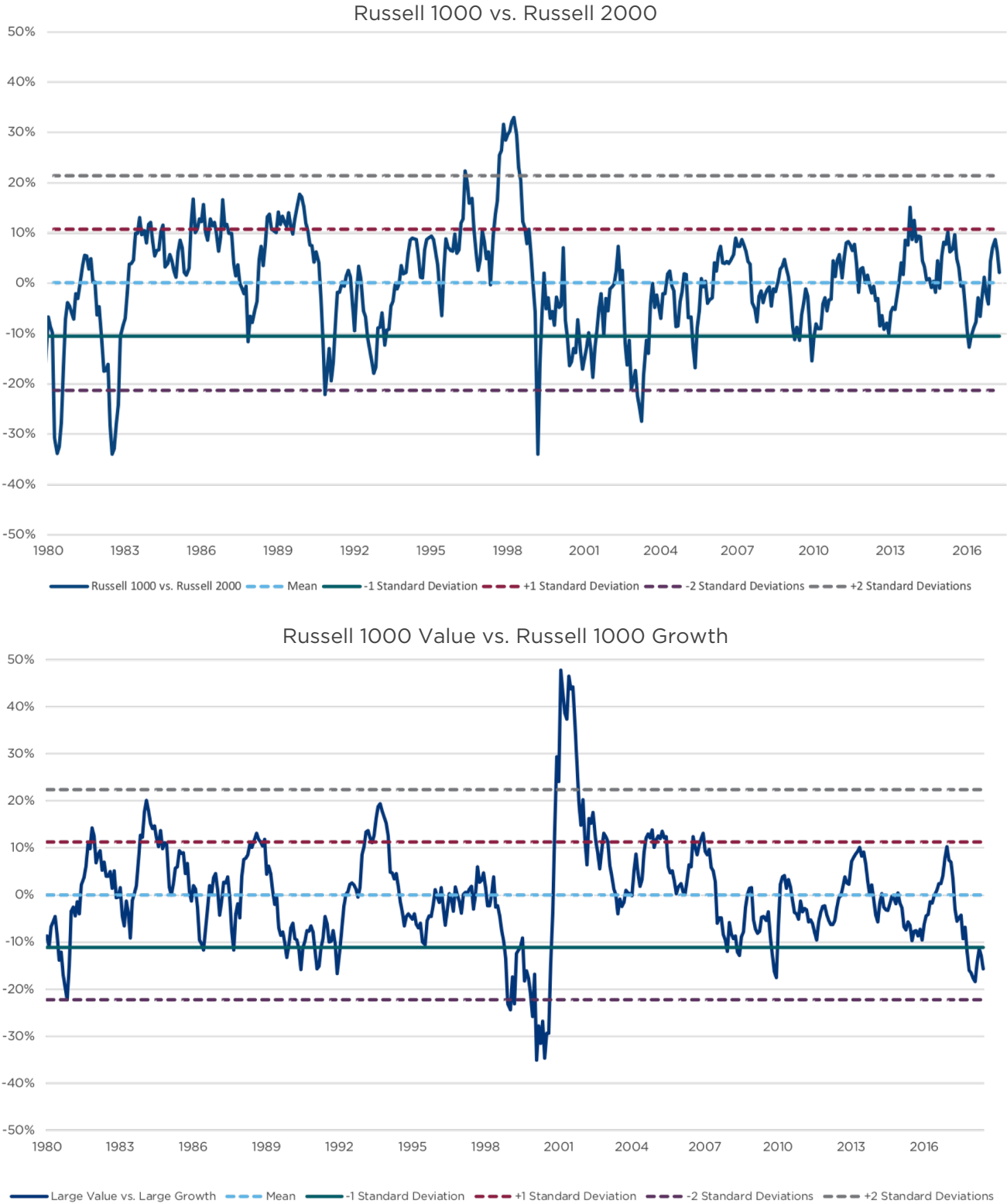


Source: CAPTRUST research, Bloomberg



MARKET COMMENTARY

Period Ending 6.30.18 | Q2 18

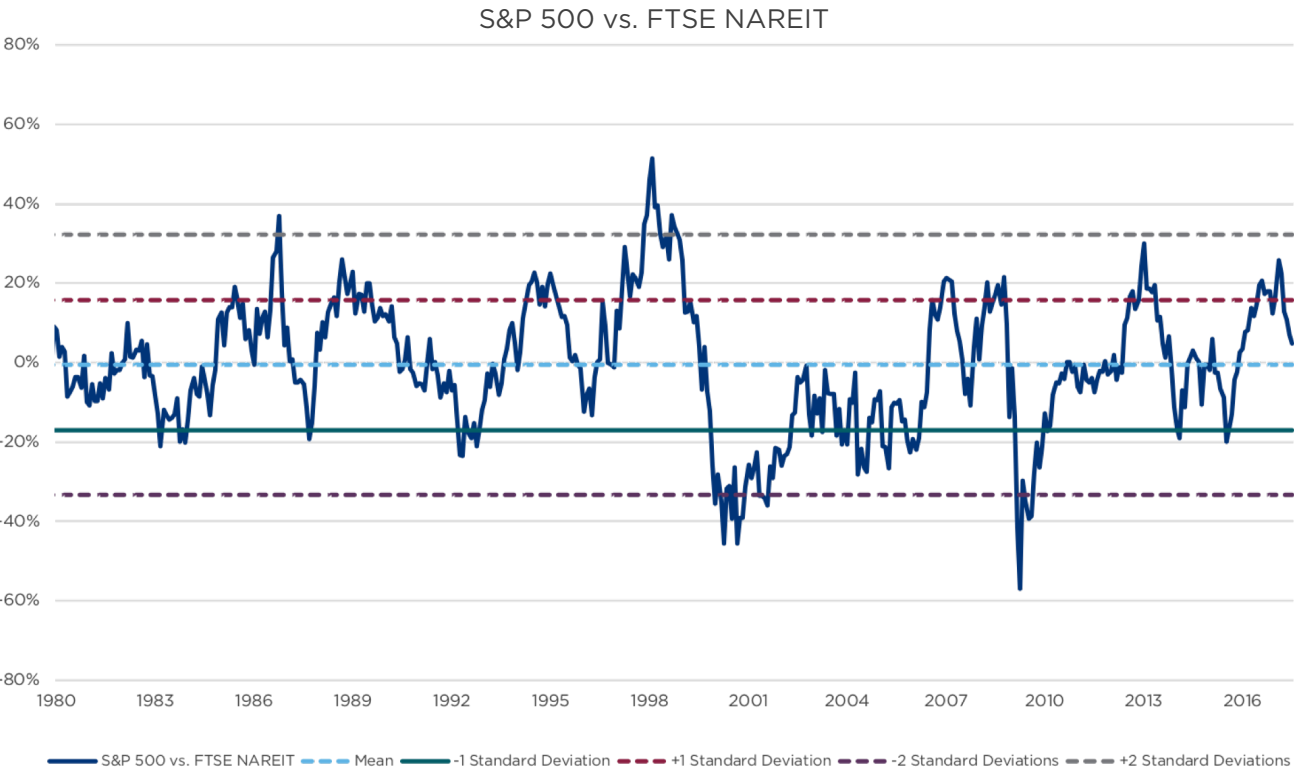
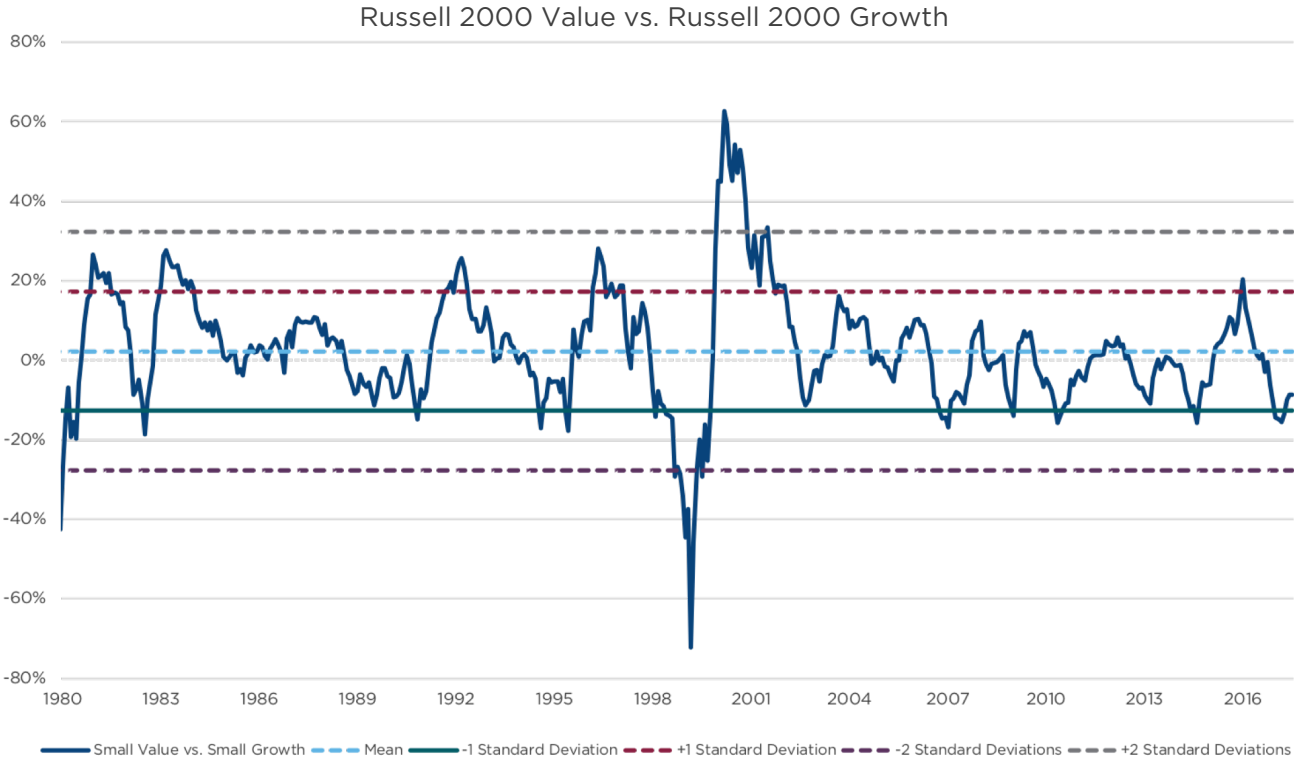


Source: CAPTRUST research, Bloomberg



MARKET COMMENTARY

Period Ending 6.30.18 | Q2 18

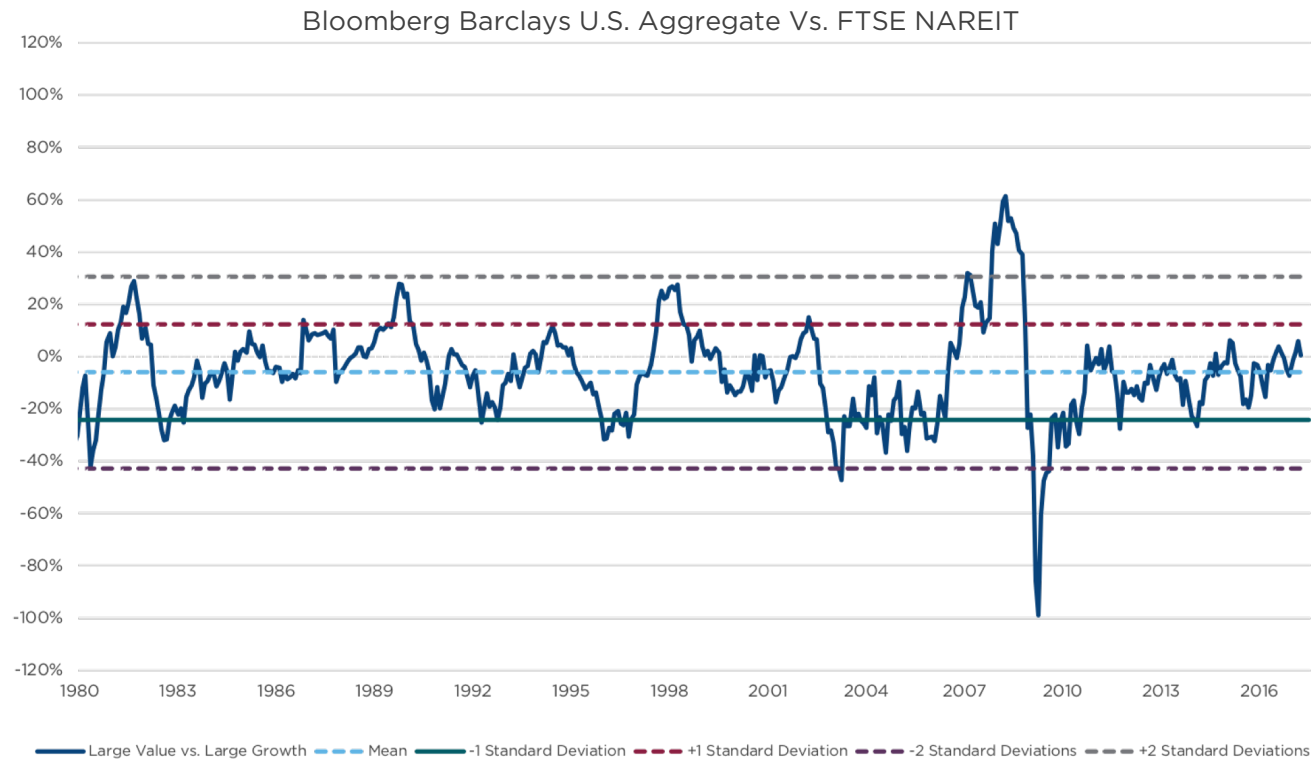


Source: CAPTRUST research, Bloomberg



MARKET COMMENTARY

Period Ending 6.30.18 | Q2 18



Source: CAPTRUST research, Bloomberg



ASSET CLASS RETURNS

Period Ending 6.30.18 | Q2 18

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	YTD 2018
International Equities 17.11%	Real Estate 35.92%	International Equities 17.12%	Fixed Income 5.24%	International Equities 42.14%	Real Estate 28.48%	Real Estate 8.69%	Real Estate 17.77%	Small-Cap Stocks 38.82%	Real Estate 30.38%	Strategic Opportunities 2.86%	Small-Cap Stocks 21.31%	International Equities 27.77%	Small-Cap Stocks 7.66%
Mid-Cap Stocks 12.65%	International Equities 27.16%	Fixed Income 6.97%	Cash 1.51%	Mid-Cap Stocks 40.48%	Small-Cap Stocks 26.85%	Fixed Income 7.84%	International Equities 17.39%	Mid-Cap Stocks 34.76%	Large-Cap Stocks 13.24%	Real Estate 2.14%	Mid-Cap Stocks 13.80%	Large-Cap Stocks 21.69%	Large-Cap Stocks 2.85%
Real Estate 12.13%	Small-Cap Stocks 18.37%	Strategic Opportunities 6.68%	Strategic Opportunities -13.09%	Real Estate 28.61%	Mid-Cap Stocks 25.48%	Large-Cap Stocks 1.50%	Mid-Cap Stocks 17.28%	Large-Cap Stocks 33.11%	Mid-Cap Stocks 13.22%	Large-Cap Stocks 0.92%	Large-Cap Stocks 12.05%	Mid-Cap Stocks 18.52%	Mid-Cap Stocks 2.35%
Large-Cap Stocks 6.27%	Large-Cap Stocks 15.46%	Large-Cap Stocks 5.77%	Small-Cap Stocks -33.79%	Large-Cap Stocks 28.43%	Large-Cap Stocks 16.10%	Cash 0.10%	Large-Cap Stocks 16.42%	International Equities 15.78%	Fixed Income 5.97%	Fixed Income 0.55%	Real Estate 7.56%	Small-Cap Stocks 14.65%	Real Estate 1.41%
Small-Cap Stocks 4.55%	Mid-Cap Stocks 15.26%	Mid-Cap Stocks 5.60%	Large-Cap Stocks -37.60%	Small-Cap Stocks 27.17%	International Equities 11.60%	Mid-Cap Stocks -1.55%	Small-Cap Stocks 16.35%	Strategic Opportunities 3.58%	Small-Cap Stocks 4.89%	Cash 0.05%	International Equities 5.01%	Real Estate 9.84%	Strategic Opportunities 1.04%
Cash 3.35%	Strategic Opportunities 7.43%	Cash 4.71%	Real Estate -37.97%	Fixed Income 5.93%	Fixed Income 6.54%	Strategic Opportunities -3.71%	Fixed Income 4.22%	Real Estate 2.47%	Strategic Opportunities 0.79%	Mid-Cap Stocks -2.44%	Fixed Income 2.65%	Fixed Income 3.54%	Cash 0.81%
Fixed Income 2.43%	Cash 5.08%	Small-Cap Stocks -1.57%	Mid-Cap Stocks -41.46%	Cash 0.21%	Cash 0.13%	Small-Cap Stocks -4.18%	Strategic Opportunities 0.88%	Cash 0.07%	Cash 0.03%	Small-Cap Stocks -4.41%	Cash 0.33%	Strategic Opportunities 3.40%	Fixed Income -1.62%
Strategic Opportunities -0.02%	Fixed Income 4.33%	Real Estate -16.82%	International Equities -45.25%	Strategic Opportunities -3.58%	Strategic Opportunities -0.12%	International Equities -13.33%	Cash 0.11%	Fixed Income -2.02%	International Equities -3.44%	International Equities -5.25%	Strategic Opportunities 0.31%	Cash 0.86%	International Equities -3.44%

Source: Markov Processes, Inc., Bloomberg, Mobius

Large-Cap Stocks (Russell 1000 Index)

The Russell 1000 Index tracks the performance of 1,000 of the largest public companies in the U.S. It includes more than 90% of the total market capitalization of all listed U.S. stocks.

Mid-Cap Stocks (Russell Mid-Cap Index)

The Russell Mid-Cap Index is a market-capitalization-weighted index representing the smallest 800 companies in the Russell 1000 Index.

Small-Cap Stocks (Russell 2000 Index)

The Russell 2000 Index tracks the performance of approximately 2,000 small-cap companies contained in the Russell 3000 Index, which is made up of 3,000 of the biggest U.S. stocks.

International Equities (MSCI ACWI Ex-US Index)

The MSCI ACWI Ex-US Index tracks large- and mid-cap stocks from 22 of 23 developed market countries (excluding the U.S.) and 24 emerging markets countries. This index covers approximately 85% of the global equity opportunity set outside the United States.

Fixed Income (Bloomberg Barclays U.S. Aggregate Bond Index)

The Bloomberg Barclays U.S. Aggregate Bond Index is a market capitalization-weighted index that tracks the majority of U.S.-traded investment grade bonds. The index includes Treasuries, agency bonds, mortgage-backed bonds, corporate bonds, and a small amount of foreign bonds traded in United States.

Real Estate (Dow Jones US Real Estate Index)

The Dow Jones US Real Estate Index tracks the performance of publicly traded real estate equity. It is comprised of companies whose charter is the equity ownership and operation of commercial real estate.

Strategic Opportunities (HFRX Absolute Return Index)

The HFRX Absolute Return Index measures the overall returns of hedge funds. Since hedge funds explore unique investment strategies and seek to generate absolute returns rather than focus on beating a benchmark, the HFRX is representative of all hedge fund strategies.

Cash (BofA Merrill Lynch 3-Month Treasury Bill Index)

The BofA Merrill Lynch 3-Month Treasury Bill Index tracks the performance of the U.S. dollar denominated U.S. Treasury Bills publicly issued in the U.S. domestic market with a remaining term to maturity of less than 3 months.

The information contained in this report is from sources believed to be reliable, but not warranted by CAPTRUST Financial Advisors to be accurate or complete.



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INDEX PERFORMANCE

Period Ending 6.30.18 | Q2 18

INDEXES	Q2 2018	YTD 2018	2017	2016	2015	2014	2013	1 YEAR	3 YEAR	5 YEAR	10 YEAR
90-Day US Treasury	0.45%	0.81%	0.86%	0.33%	0.05%	0.03%	0.07%	1.36%	0.68%	0.42%	0.35%
Bloomberg Barclays Government 1-3 Year	0.21%	0.06%	0.45%	0.87%	0.57%	0.64%	0.37%	0.03%	0.42%	0.59%	1.32%
Bloomberg Barclays Intermediate Govt	0.06%	-0.67%	1.14%	1.05%	1.18%	2.52%	-1.25%	-0.73%	0.63%	1.04%	2.41%
Bloomberg Barclays Muni Bond	0.87%	-0.25%	5.45%	0.25%	3.30%	9.05%	-2.55%	1.56%	2.85%	3.53%	4.43%
Bloomberg Barclays Intermediate Govt/Credit	0.01%	-0.97%	2.14%	2.08%	1.07%	3.13%	-0.86%	-0.58%	1.16%	1.60%	3.08%
Bloomberg Barclays Intermediate Credit	-0.08%	-1.45%	3.67%	3.68%	0.90%	4.16%	-0.17%	-0.36%	1.96%	2.51%	4.37%
Bloomberg Barclays Aggregate Bond	-0.16%	-1.62%	3.54%	2.65%	0.55%	5.97%	-2.02%	-0.40%	1.72%	2.27%	3.72%
Bloomberg Barclays Corporate IG Bond	-0.98%	-3.27%	6.42%	6.11%	-0.68%	7.46%	-1.53%	-0.83%	3.07%	3.51%	5.39%
Bloomberg Barclays High Yield	1.03%	0.16%	7.50%	17.13%	-4.47%	2.45%	7.44%	2.62%	5.53%	5.51%	8.19%
Bloomberg Barclays US Long Corporate	-2.83%	-6.77%	12.09%	10.97%	-4.61%	15.73%	-5.68%	-1.75%	5.10%	5.47%	7.40%
S&P 500	3.43%	2.65%	21.83%	11.96%	1.38%	13.69%	32.39%	14.37%	11.93%	13.42%	10.17%
Dow Jones Industrial Average	1.26%	-0.73%	28.11%	16.50%	0.21%	10.04%	29.65%	16.31%	14.07%	12.96%	10.78%
NASDAQ Composite	6.31%	8.79%	28.24%	7.50%	5.73%	13.40%	38.32%	22.31%	14.62%	17.15%	12.60%
Russell 1000 Value	1.18%	-1.69%	13.66%	17.34%	-3.83%	13.45%	32.53%	6.77%	8.26%	10.34%	8.49%
Russell 1000	3.57%	2.85%	21.69%	12.05%	0.92%	13.24%	33.11%	14.54%	11.64%	13.37%	10.20%
Russell 1000 Growth	5.76%	7.25%	30.21%	7.08%	5.67%	13.05%	33.48%	22.51%	14.98%	16.36%	11.83%
Russell Mid-Cap Value Index	2.41%	-0.16%	13.34%	20.00%	-4.78%	14.75%	33.46%	7.60%	8.80%	11.27%	10.06%
Russell Mid-Cap Index	2.82%	2.35%	18.52%	13.80%	-2.44%	13.22%	34.76%	12.33%	9.58%	12.22%	10.23%
Russell Mid-Cap Growth Index	3.16%	5.40%	25.27%	7.33%	-0.20%	11.90%	35.74%	18.52%	10.73%	13.37%	10.45%
MSCI EAFE	-0.97%	-2.37%	25.62%	1.51%	-0.39%	-4.48%	23.29%	7.37%	5.41%	6.93%	3.33%
MSCI ACWI ex US	-2.39%	-3.44%	27.77%	5.01%	-5.25%	-3.44%	15.78%	7.79%	5.56%	6.48%	3.01%
Russell 2000 Value	8.30%	5.44%	7.84%	31.74%	-7.47%	4.22%	34.52%	13.10%	11.22%	11.18%	9.88%
Russell 2000	7.75%	7.66%	14.65%	21.31%	-4.41%	4.89%	38.82%	17.57%	10.96%	12.46%	10.60%
Russell 2000 Growth	7.23%	9.70%	22.17%	11.32%	-1.38%	5.60%	43.30%	21.86%	10.60%	13.65%	11.24%
MSCI Emerging Markets	-7.86%	-6.51%	37.75%	11.60%	-14.60%	-1.82%	-2.27%	8.59%	5.98%	5.39%	2.60%
Dow Jones US Real Estate Index	7.78%	1.41%	9.84%	7.56%	2.14%	27.24%	1.77%	5.19%	8.88%	8.61%	7.74%
HFRX Absolute Return Index	0.74%	1.04%	3.40%	0.31%	2.86%	0.79%	3.58%	3.04%	1.85%	2.04%	-0.77%
Consumer Price Index (Inflation)	1.04%	1.99%	2.11%	2.07%	0.73%	0.76%	1.50%	2.71%	1.78%	1.55%	1.41%
BLENDED BENCHMARKS	Q2 2018	YTD 2018	2017	2016	2015	2014	2013	1 YEAR	3 YEAR	5 YEAR	10 YEAR
25% S&P 500/5% MSCI EAFE/70% Barclays Agg	0.70%	-0.53%	8.93%	5.00%	0.92%	7.37%	7.01%	3.60%	4.51%	5.32%	5.55%
30% S&P 500/10% MSCI EAFE/60% Barclays Agg	0.84%	-0.34%	10.90%	5.43%	0.95%	7.21%	9.92%	4.73%	5.22%	6.13%	5.91%
35% S&P 500/15% MSCI EAFE/50% Barclays Agg	0.98%	-0.16%	12.90%	5.85%	0.97%	7.04%	12.89%	5.86%	5.93%	6.93%	6.23%
40% S&P 500/20% MSCI EAFE/40% Barclays Agg	1.12%	0.01%	14.93%	6.26%	0.96%	6.87%	15.93%	7.00%	6.63%	7.73%	6.54%
45% S&P 500/25% MSCI EAFE/30% Barclays Agg	1.26%	0.18%	16.99%	6.65%	0.93%	6.69%	19.04%	8.13%	7.32%	8.52%	6.81%
60% S&P 500/40% Barclays Agg	2.04%	1.10%	14.21%	8.31%	1.28%	10.62%	17.56%	8.45%	7.99%	9.07%	8.14%

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DEFINED BENEFIT MARKETPLACE—INDUSTRY UPDATE

Period Ending 6.30.18 | Q2 18

WHICH HAT ARE YOU WEARING?

Most plan sponsor committee members are aware of their fiduciary responsibilities for plan investments and participants. However, many may not be as familiar with their parallel role as “settlor” (plan sponsor). It’s important to clearly identify what decisions need to be made as a fiduciary and what are settlor choices. Independence should be maintained between the two roles.

FIDUCIARY	SETTLOR
<i>Responsibilities to prudently invest assets and ensure benefit administration must be done in participants’ sole interest.</i>	<i>The decision to offer a retirement plan and evaluate organizational costs and risks are plan sponsor tasks.</i>
<ul style="list-style-type: none"> • Select and monitor plan investments and fees (duty of care, exclusive purpose, and diversification) • Manage the plan in participants’ and beneficiaries’ best interest (duty of loyalty) • Discharge duties consistent with documents governing the plan • Maintain documentation of prudent process • During plan termination: <ul style="list-style-type: none"> • Identify a process to evaluate annuity providers, potentially utilizing an independent expert • Conduct due diligence using key criteria of DOL IB 95-1 guidance such as creditworthiness • Select insurance company and annuity structure • Communication with participants 	<ul style="list-style-type: none"> • Make decision to offer a retirement plan • Determine plan contribution policy • Retain actuarial and other professional advice for settlor decisions paid from corporate assets • Decide to maintain the plan, settle part of the liability, or terminate the plan: <ul style="list-style-type: none"> • Offer lump sums • Annuity buyout • Plan termination • During plan termination: <ul style="list-style-type: none"> • Hire a consultant to develop settlement strategy • Communicate with other stakeholders about plan termination

Plan sponsors may be familiar with the fiduciary and settlor roles as it relates to an ongoing plan. However, pension risk transfer activities—such as plan termination—can introduce complex new responsibilities that are more difficult to define. Plan sponsors should engage legal counsel early in the plan termination or pension risk transfer process to remove potential conflicts and create clarity of roles.



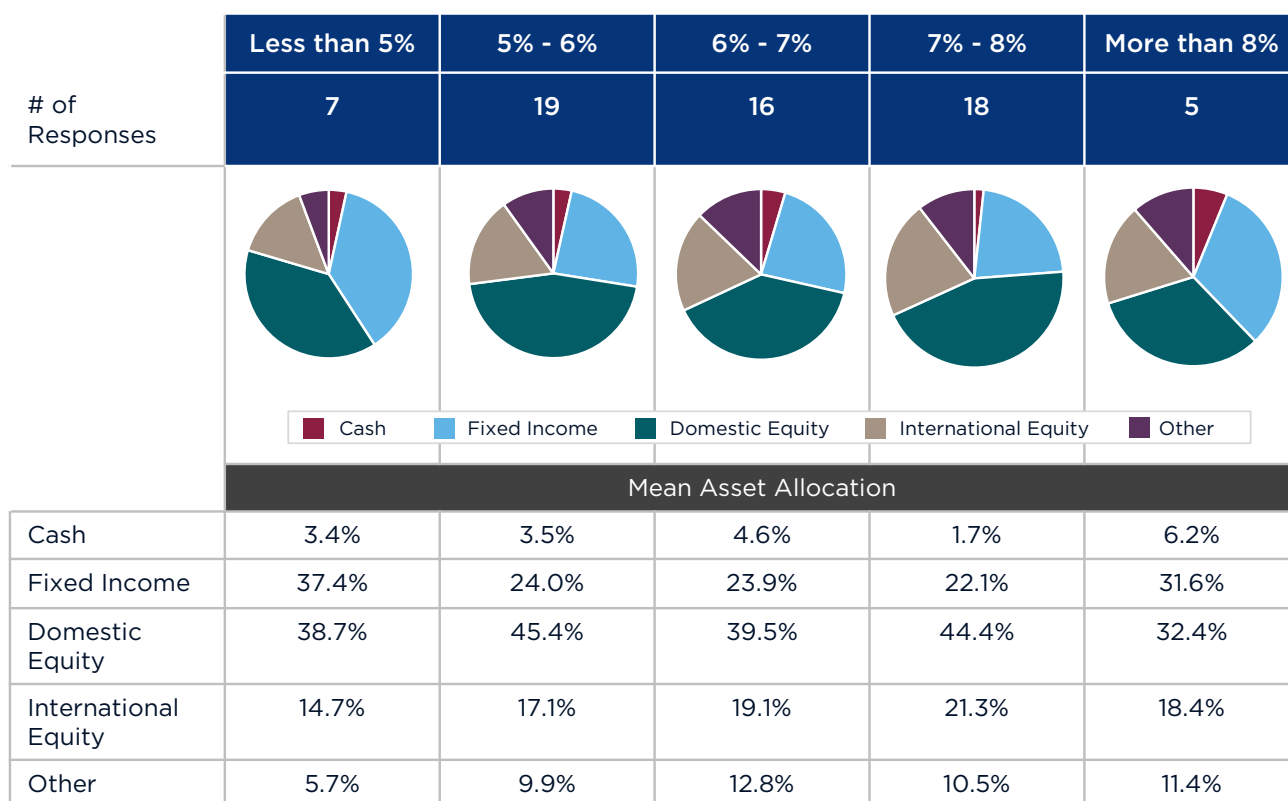
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ENDOWMENTS AND FOUNDATIONS—INDUSTRY UPDATE Period Ending 6.30.18 | Q2 18

FIRST TAKE: LINKS BETWEEN ASSET ALLOCATION, RETURN, AND RISK

Nonprofit investors use a wide variety of investment objectives to support their organizations' missions. Our recent survey of endowments and foundations provides interesting perspective on how return goals influence asset allocation.

What is your expected return on assets?



As an organization's return expectation increases, so does its allocation to equities and other non-fixed income assets. Nonprofits with return targets below 5%, on average, allocate 41% of assets to fixed income. Peers with a 7% to 8% return objective invest only 24% in cash and bonds. One anomaly is that groups with the highest return expectations allocate to fixed income and cash at a rate similar to the most conservative organizations.

ENDOWMENTS AND FOUNDATIONS—INDUSTRY UPDATE Period Ending 6.30.18 | Q2 18

FIRST TAKE: LINKS BETWEEN ASSET ALLOCATION, RETURN, AND RISK

The good news is that many nonprofit organizations have likely met their investment goals. The chart below highlights how each group's asset allocation strategy would have performed over historical periods ending 12.31.2017. Our findings indicate that many organizations with moderate expectations achieved their stated objectives, while higher expectations were more difficult to meet.

What is your expected return on assets?

	Less than 5%	5% - 6%	6% - 7%	7% - 8%	More than 8%
1 Year	13.5%	15.3%	14.7%	16.1%	13.1%
3 Years	6.7%	7.4%	7.0%	7.6%	6.2%
5 Years	8.3%	9.5%	8.8%	9.6%	7.7%
10 Years	5.6%	5.7%	5.3%	5.6%	5.0%
20 Years	6.2%	6.3%	6.1%	6.3%	6.0%

Quarterly rebalancing assumed. Simulation indexes include ML 3-Month T-Bill Index (cash); BBrg U.S. Agg Bond Index (fixed income); S&P 500 Index (domestic equity); MSCI EAFE Index (international equity); HFRI FOF Conservative Index (other).

How large of a portfolio decline are you willing to experience in a given year to achieve your return objective?

# of Responses	14	20	17	18	8
Less than 5%	57%	40%	53%	33%	50%
5% - 10%	21%	30%	24%	28%	25%
10% - 15%	14%	20%	18%	22%	0%
More than 15%	7%	10%	6%	17%	25%

While most organizations with modest return objectives matched their goals, we see a breakdown when trying to align those return objectives with the ability to tolerate risk. Nonprofits with the lowest return objectives maintained the least appetite for loss. However, peers with annual investment return expectations between 5% and 6% had the second highest willingness to lose more than 10%. On the other hand, organizations with return goals higher than 8% were more averse to losses above 10% than those with return goals of 5% to 6%.

ENDOWMENTS AND FOUNDATIONS—INDUSTRY UPDATE Period Ending 6.30.18 | Q2 18

FIRST TAKE: LINKS BETWEEN ASSET ALLOCATION, RETURN, AND RISK

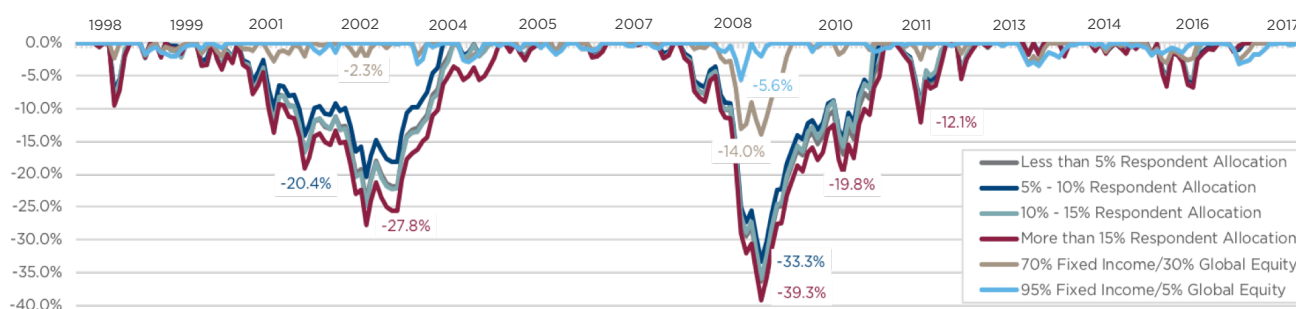
Examination of survey data reveals a significant disconnect between risk appetite and asset allocation among respondents.

When we simulated the past 20 years of drawdown history, we found that the average allocations of respondents willing to experience losses of less than 5%, 5-10%, and 10-15% would have, in fact, realized declines greater than 20% twice during that period.

To limit historical losses to 15% or less, investors would have needed to allocate at least 3/4s of the assets in a globally diversified portfolio to fixed income. Even a 95% fixed income portfolio would have lost more than 5% in 2008.

	How large of a portfolio decline are you willing to experience in a given year to achieve your return objective?			
	Less than 5%	5% - 10%	10% - 15%	More than 15%
# of Responses	23	11	10	7
	Mean Asset Allocation			
Cash	2.9%	4.1%	1.2%	3.3%
Fixed Income	24.3%	28.7%	29.3%	18.3%
Domestic Equity	41.3%	33.5%	49.3%	46.0%
International Equity	18.7%	20.1%	12.9%	20.1%
Other	12.8%	13.5%	7.3%	12.3%

20-Year Historical Simulation of Peak-to-Trough Drawdowns



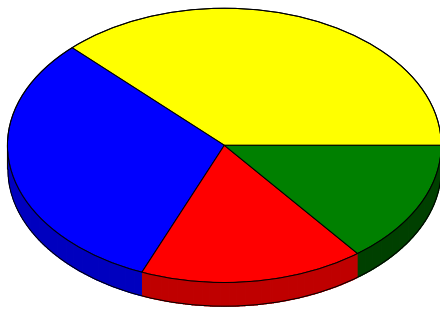
Monthly rebalancing assumed. Simulation Indexes include ML 3-Month T-Bill Index (cash); BBrg U.S. Agg Bond Index (fixed income); S&P 500 Index (domestic equity); MSCI EAFE Index (international equity); HFRI FOF Conservative Index (other).

Florida Board of Governors Foundation, Inc.

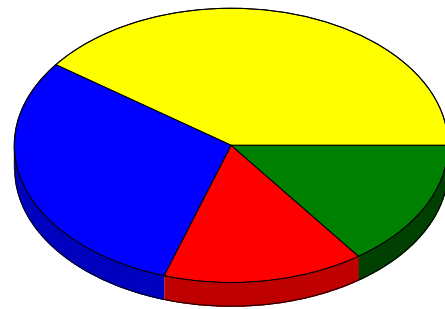
Combined Portfolio Review





Portfolio Allocation as of June 30, 2018

Actual Portfolio Allocation



Target Portfolio Allocation



Portfolio	Actual (\$)	Actual (%)	Target (\$)	Target (%)	Difference (\$)	Difference (%)
 Sawgrass - IFI	2,078,685	37.39%	2,223,663	40.00%	(144,978)	-2.61%
 Vanguard 500 - LCE	1,745,521	31.40%	1,667,747	30.00%	77,774	1.40%
 Great Lakes - SMID	930,719	16.74%	833,874	15.00%	96,846	1.74%
 Vanguard Total - IE	804,232	14.47%	833,874	15.00%	(29,641)	-0.53%
Total Fund	\$5,559,157	100.00%	\$5,559,157	100.00%	\$0	0.00%

All dollar values are shown in actual dollars.

Florida Board of Governors Foundation, Inc.

Combined Portfolio Review

Executive Summary as of June 30, 2018

Account Reconciliation

	06/30/2018	2018	04/30/2015
	QTR	Fiscal YTD	Incept
Beginning Value	5,679,065	5,308,259	4,967,284
Net Flows	-209,234	-209,234	-409,214
Investment G/L	89,326	460,133	1,001,087
Ending Value	5,559,157	5,559,157	5,559,157

Investment Policy

Index	Weight
BBgBarc Interm Gov't/Credit Index	40.00
S&P 500	30.00
MSCI AC Wrld X US Fr	15.00
Russell 2500	15.00

Trailing Returns Through June 30, 2018

	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	6 Yr	7 Yr	8 Yr	9 Yr	10 Yr	04/30/2015 Incept
Account	8.67	9.93	6.76								6.07
Policy	7.52	9.28	6.45								5.81
Diff	1.15	0.65	0.31								0.26

Fiscal Year Returns Ending June

	QTR	2018 YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009
Account	1.57	8.67	11.20	0.70							
Policy	1.49	7.52	11.07	1.01							
Diff	0.09	1.15	0.13	-0.31							

Returns In Up Markets

	1 Yr	3 Yr	5 Yr	10 Yr
Account	9.3	10.5		
Policy	8.3	10.4		
Ratio	111.1	101.2		

Returns In Down Markets

	1 Yr	3 Yr	5 Yr	10 Yr
Account	-0.5	-5.2		
Policy	-0.8	-5.7		
Ratio	72.0	90.3		

Fiscal year ends in June.

Returns for periods exceeding one year are annualized. Returns are net time weighted return.

Please see Appendix for page explanations.

Florida Board of Governors Foundation, Inc. Combined Portfolio Review

Risk Measures

1 Year	Fund	Policy	Diff
Negative Periods	2.00	3.00	-1.00
Positive Periods	10.00	9.00	1.00
Batting Average	75.00	25.00	50.00
Worst Qtr	-0.55	-0.76	0.21
Best Qtr	4.36	3.43	0.93
Range	4.91	4.19	0.72
Worst 4 Qtrs	8.67	7.52	1.15
Standard Deviation	5.00	4.48	0.52
Beta	0.00	0.00	0.00
Alpha	0.00	0.00	0.00
R-Squared	0.00	0.00	0.00
Sharpe Ratio	0.00	0.00	0.00
Treynor Ratio	0.00	0.00	0.00
Tracking Error	0.80	0.00	0.80
Information Ratio	1.38	0.00	1.38

3 Years	Fund	Policy	Diff
Negative Periods	8.00	9.00	-1.00
Positive Periods	28.00	27.00	1.00
Batting Average	58.33	41.67	16.67
Worst Qtr	-4.63	-4.98	0.35
Best Qtr	4.36	3.86	0.50
Range	8.99	8.84	0.15
Worst 4 Qtrs	0.70	1.01	-0.31
Standard Deviation	6.04	6.09	-0.05
Beta	0.00	0.00	0.00
Alpha	0.00	0.00	0.00
R-Squared	0.00	0.00	0.00
Sharpe Ratio	0.00	0.00	0.00
Treynor Ratio	0.00	0.00	0.00
Tracking Error	0.66	0.00	0.66
Information Ratio	0.44	0.00	0.44

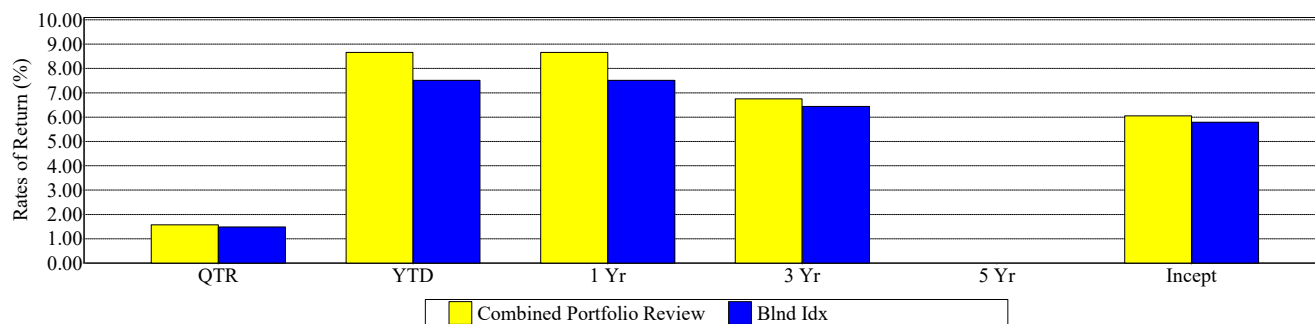
5 Years	Fund	Policy	Diff
Negative Periods	n/a	n/a	n/a
Positive Periods	n/a	n/a	n/a
Batting Average	n/a	n/a	n/a
Worst Qtr	n/a	n/a	n/a
Best Qtr	n/a	n/a	n/a
Range	n/a	n/a	n/a
Worst 4 Qtrs	n/a	n/a	n/a
Standard Deviation	n/a	n/a	n/a
Beta	0.00	0.00	0.00
Alpha	0.00	0.00	0.00
R-Squared	0.00	0.00	0.00
Sharpe Ratio	0.00	0.00	0.00
Treynor Ratio	0.00	0.00	0.00
Tracking Error	0.00	0.00	0.00
Information Ratio	0.00	0.00	0.00

Since Inception	Fund	Policy	Diff
Negative Periods	9.00	10.00	-1.00
Positive Periods	29.00	28.00	1.00
Batting Average	53.85	46.15	7.69
Worst Qtr	-4.63	-4.98	0.35
Best Qtr	4.36	3.86	0.50
Range	8.99	8.84	0.15
Worst 4 Qtrs	0.70	1.01	-0.31
Standard Deviation	5.97	6.02	-0.05
Beta	0.00	0.00	0.00
Alpha	0.00	0.00	0.00
R-Squared	0.00	0.00	0.00
Sharpe Ratio	0.00	0.00	0.00
Treynor Ratio	0.00	0.00	0.00
Tracking Error	0.65	0.00	0.65
Information Ratio	0.37	0.00	0.37

Please see Appendix for page explanations.

Florida Board of Governors Foundation, Inc. Combined Portfolio Review

Performance Summary Through June 30, 2018



	QTR	YTD	1 Yr	3 Yr	5 Yr	Incept	Inception Date	Current Assets
Net Time Weighted Return	1.57	8.67	8.67	6.76		6.07	04/30/2015	\$5,559,157
Blnd Idx	1.49	7.52	7.52	6.45		5.81		

(40% BBgBarc Interm Gov't/Credit Index, 30% S&P 500, 15% MSCI AC Wrld X US Fr, 15% Russell 2500, established 04/2015)

Vanguard 500 Index - Large Cap Equity

Net Time Weighted Return	3.51	14.43	14.43	11.95		11.05	04/30/2015	\$1,745,521
S&P 500	3.43	14.37	14.37	11.93		11.03		
%-tile	16	21	21	2		4		

(100.00% S&P 500; established 04/2015)

Great Lakes - Small/Mid Cap Equity

Net Time Weighted Return	5.46	20.35	20.35	10.74		10.38	04/30/2015	\$930,719
Russell 2500	5.71	16.24	16.24	10.30		10.23		
%-tile	65	1	1	25		36		

(100.00% Russell 2500; established 04/2015)

Vanguard Total International Stock - International Equity

Net Time Weighted Return	-3.12	7.16	7.16	5.35		3.85	04/30/2015	\$804,232
MSCI AC Wrld X US Fr	-2.61	7.28	7.28	5.07		3.35		
%-tile	66	38	38	31		43		

(100.00% MSCI AC Wrld X US Fr; established 04/2015)

Sawgrass - Intermediate Fixed Income

Net Time Weighted Return	0.04	0.00	0.00	1.58		1.23	04/30/2015	\$2,078,685
BBgB Int Gov't/Cred	0.01	-0.58	-0.58	1.16		0.91		
%-tile	13	23	23	56		44		

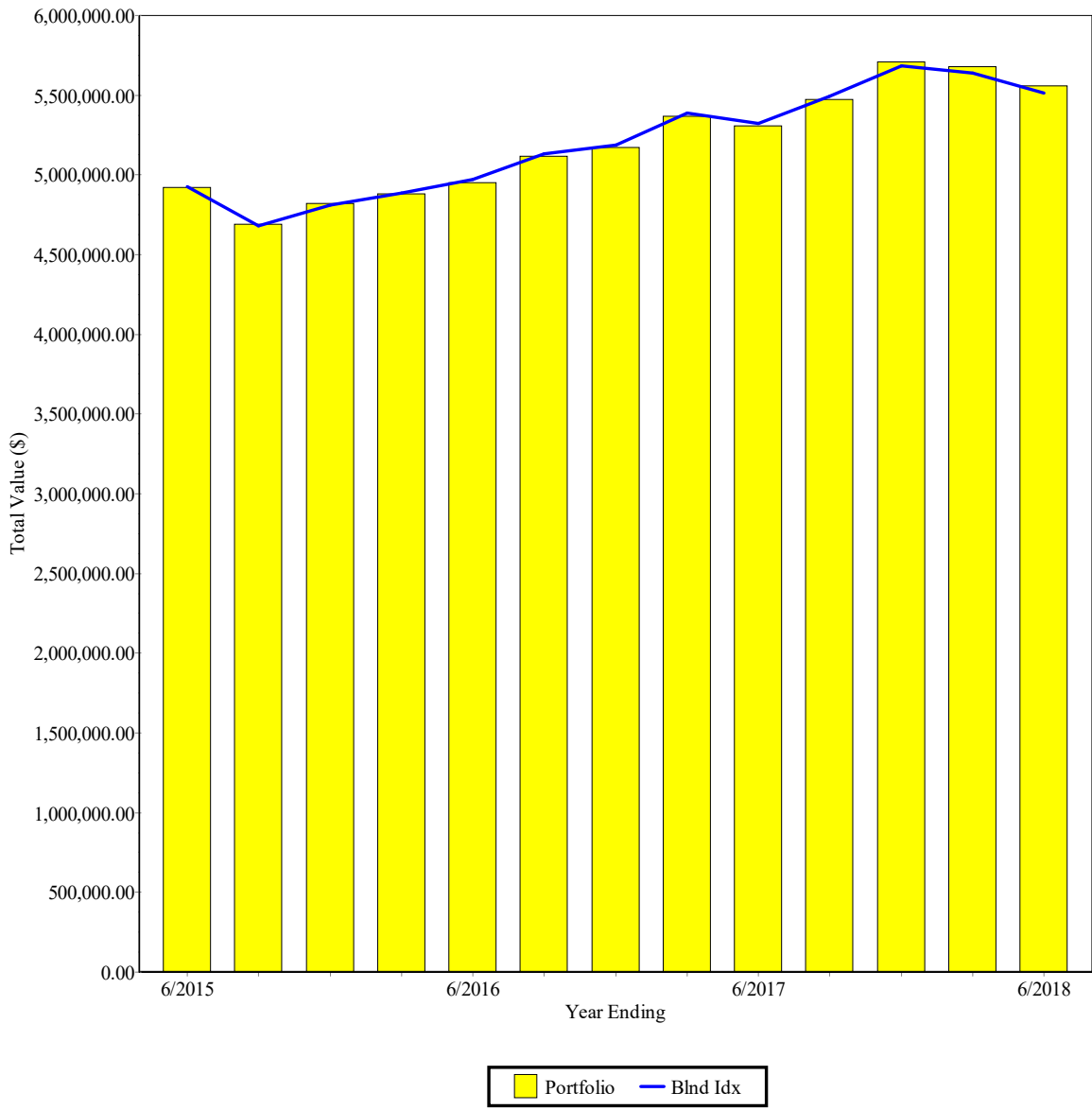
(100.00% BBgB Int Gov't/Cred; established 04/2015)

Fiscal Year ends in June. Returns for periods exceeding one year are annualized.

Shaded areas represent where the investment objective was achieved either by:

1) The investment return versus the index; 2) The investment return universe ranking (The lower the number the better the ranking).

Florida Board of Governors Foundation, Inc.
Combined Portfolio Review
Objective Comparison



The inception date is April 30, 2015.
All dollar values are shown in actual dollars.

Florida Board of Governors Foundation, Inc.
Combined Portfolio Review
Quarterly Comparison Analysis (\$)

Period Ending	Portfolio	Policy	Diff
Jun 30 2015	4,919,065	4,919,065	0
Sep 30 2015	4,691,298	4,673,899	17,399
Dec 31 2015	4,819,441	4,807,077	12,364
Mar 31 2016	4,880,129	4,879,738	391
Jun 30 2016	4,953,322	4,968,526	-15,203
Sep 30 2016	5,115,214	5,128,840	-13,625
Dec 31 2016	5,171,615	5,184,451	-12,836
Mar 31 2017	5,368,773	5,384,516	-15,743
Jun 30 2017	5,308,259	5,318,617	-10,358
Sep 30 2017	5,471,938	5,489,877	-17,938
Dec 31 2017	5,710,450	5,677,960	32,490
Mar 31 2018	5,679,065	5,634,595	44,470
Jun 30 2018	5,559,157	5,509,255	49,902

Please see Appendix for page explanations.
All dollar values are shown in actual dollars.

Florida Board of Governors Foundation, Inc.
Combined Portfolio Review
 Quarterly Comparison Analysis (%)

Period Ending	Portfolio	Policy	Diff
Jun 30 2015	-0.97	-0.87	-0.10
Sep 30 2015	-4.63	-4.98	0.35
Dec 31 2015	2.73	2.85	-0.12
Mar 31 2016	1.26	1.51	-0.25
Jun 30 2016	1.50	1.82	-0.32
Sep 30 2016	3.27	3.23	0.04
Dec 31 2016	1.10	1.08	0.02
Mar 31 2017	3.81	3.86	-0.05
Jun 30 2017	2.60	2.49	0.11
Sep 30 2017	3.08	3.22	-0.14
Dec 31 2017	4.36	3.43	0.93
Mar 31 2018	-0.55	-0.76	0.21
Jun 30 2018	1.57	1.49	0.09

Please see Appendix for page explanations.
 Returns for periods exceeding one year are annualized.

Florida Board of Governors Foundation, Inc.
Combined Portfolio Review
 Market Values and Cash Flows

Period Ending	Beginning Value	Net Flows	Unrealized Gain/Loss	Ending Value	Return (%)
Jun 30 2015	N/A	5,000,000	-80,935	4,919,065	-0.97
Sep 30 2015	4,919,065	0	-227,767	4,691,298	-4.63
Dec 31 2015	4,691,298	0	128,143	4,819,441	2.73
Mar 31 2016	4,819,441	0	60,687	4,880,129	1.26
Jun 30 2016	4,880,129	0	73,194	4,953,322	1.50
Sep 30 2016	4,953,322	0	161,892	5,115,214	3.27
Dec 31 2016	5,115,214	0	56,400	5,171,615	1.10
Mar 31 2017	5,171,615	0	197,158	5,368,773	3.81
Jun 30 2017	5,368,773	-199,980	139,466	5,308,259	2.60
Sep 30 2017	5,308,259	0	163,680	5,471,938	3.08
Dec 31 2017	5,471,938	0	238,512	5,710,450	4.36
Mar 31 2018	5,710,450	0	-31,385	5,679,065	-0.55
Jun 30 2018	5,679,065	-209,234	89,326	5,559,157	1.57

Please see Appendix for page explanations.
 All dollar values are shown in actual dollars.
 Returns for periods exceeding one year are annualized.

Florida Board of Governors Foundation, Inc.
Vanguard 500 Index - Large Cap Equity
 Executive Summary as of June 30, 2018

Account Reconciliation

	06/30/2018	2018	04/30/2015
	QTR	Fiscal YTD	Incept
Beginning Value	1,770,581	1,601,549	1,479,333
Net Flows	-87,209	-87,209	-287,189
Investment G/L	62,149	231,181	553,377
Ending Value	1,745,521	1,745,521	1,745,521

Investment Policy

Index	Weight
S&P 500	100.00

Trailing Returns Through June 30, 2018

	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	6 Yr	7 Yr	8 Yr	9 Yr	10 Yr	04/30/2015 Incept
Account	14.43	16.17	11.95								11.05
Policy	14.37	16.12	11.93								11.03
Diff	0.06	0.05	0.02								0.02

Fiscal Year Returns Ending June

	QTR	2018 YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009
Account	3.51	14.43	17.93	3.95							
Policy	3.43	14.37	17.90	3.99							
Diff	0.08	0.06	0.04	-0.04							

Returns In Up Markets

	1 Yr	3 Yr	5 Yr	10 Yr
Account	15.3	18.0		
Policy	15.2	17.9		
Ratio	100.5	100.2		

Returns In Down Markets

	1 Yr	3 Yr	5 Yr	10 Yr
Account	-0.8	-7.2		
Policy	-0.8	-7.1		
Ratio	101.2	100.3		

Fiscal year ends in June.

Returns for periods exceeding one year are annualized. Returns are net time weighted return.

Please see Appendix for page explanations.

Florida Board of Governors Foundation, Inc. Vanguard 500 Index - Large Cap Equity

Risk Measures

1 Year	Fund	Policy	Diff
Negative Periods	2.00	2.00	0.00
Positive Periods	10.00	10.00	0.00
Batting Average	25.00	75.00	-50.00
Worst Qtr	-0.77	-0.76	-0.01
Best Qtr	6.64	6.64	-0.01
Range	7.41	7.40	0.00
Worst 4 Qtrs	14.43	14.37	0.06
Standard Deviation	8.23	8.24	0.00
Beta	1.00	1.00	0.00
Alpha	0.06	0.00	0.06
R-Squared	99.99	100.00	-0.01
Sharpe Ratio	1.59	1.58	0.01
Treynor Ratio	13.12	13.05	0.07
Tracking Error	0.08	0.00	0.08
Information Ratio	0.65	0.00	0.65

3 Years	Fund	Policy	Diff
Negative Periods	8.00	8.00	0.00
Positive Periods	28.00	28.00	0.00
Batting Average	16.67	83.33	-66.67
Worst Qtr	-6.45	-6.44	-0.01
Best Qtr	7.04	7.04	-0.01
Range	13.49	13.48	0.01
Worst 4 Qtrs	3.95	3.99	-0.04
Standard Deviation	10.01	10.02	0.00
Beta	1.00	1.00	0.00
Alpha	0.02	0.00	0.02
R-Squared	100.00	100.00	0.00
Sharpe Ratio	1.13	1.13	0.00
Treynor Ratio	11.31	11.29	0.02
Tracking Error	0.06	0.00	0.06
Information Ratio	0.25	0.00	0.25

5 Years	Fund	Policy	Diff
Negative Periods	n/a	16.00	n/a
Positive Periods	n/a	44.00	n/a
Batting Average	n/a	n/a	n/a
Worst Qtr	n/a	-6.44	n/a
Best Qtr	n/a	10.51	n/a
Range	n/a	16.95	n/a
Worst 4 Qtrs	n/a	3.99	n/a
Standard Deviation	n/a	9.73	n/a
Beta	n/a	1.00	n/a
Alpha	n/a	0.00	n/a
R-Squared	n/a	100.00	n/a
Sharpe Ratio	n/a	1.34	n/a
Treynor Ratio	n/a	13.03	n/a
Tracking Error	n/a	0.00	n/a
Information Ratio	n/a	0.00	n/a

Since Inception	Fund	Policy	Diff
Negative Periods	9.00	9.00	0.00
Positive Periods	29.00	29.00	0.00
Batting Average	23.08	76.92	-53.85
Worst Qtr	-6.45	-6.44	-0.01
Best Qtr	7.04	7.04	-0.01
Range	13.49	13.48	0.01
Worst 4 Qtrs	3.95	3.99	-0.04
Standard Deviation	9.88	9.89	0.00
Beta	1.00	1.00	0.00
Alpha	0.02	0.00	0.02
R-Squared	100.00	100.00	0.00
Sharpe Ratio	1.06	1.05	0.00
Treynor Ratio	10.45	10.42	0.02
Tracking Error	0.06	0.00	0.06
Information Ratio	0.29	0.00	0.29

Please see Appendix for page explanations.

Florida Board of Governors Foundation, Inc.
Vanguard 500 Index - Large Cap Equity
Quarterly Comparison Analysis (%)

Period Ending	Portfolio	Policy	Diff
Jun 30 2015	-0.67	-0.67	0.01
Sep 30 2015	-6.45	-6.44	-0.01
Dec 31 2015	7.04	7.04	-0.01
Mar 31 2016	1.34	1.35	-0.01
Jun 30 2016	2.45	2.46	-0.01
Sep 30 2016	3.84	3.85	-0.01
Dec 31 2016	3.82	3.82	0.00
Mar 31 2017	6.05	6.07	-0.01
Jun 30 2017	3.14	3.09	0.06
Sep 30 2017	4.48	4.48	-0.01
Dec 31 2017	6.64	6.64	-0.01
Mar 31 2018	-0.77	-0.76	-0.01
Jun 30 2018	3.51	3.43	0.08

Please see Appendix for page explanations.
Returns for periods exceeding one year are annualized.

Florida Board of Governors Foundation, Inc.
Vanguard 500 Index - Large Cap Equity
 Market Values and Cash Flows

Period Ending	Beginning Value	Net Flows	Unrealized Gain/Loss	Ending Value	Return (%)
Jun 30 2015	N/A	1,500,000	-30,507	1,469,493	-0.67
Sep 30 2015	1,469,493	0	-94,790	1,374,703	-6.45
Dec 31 2015	1,374,703	0	96,726	1,471,429	7.04
Mar 31 2016	1,471,429	0	19,677	1,491,106	1.34
Jun 30 2016	1,491,106	0	36,470	1,527,576	2.45
Sep 30 2016	1,527,576	0	58,723	1,586,299	3.84
Dec 31 2016	1,586,299	0	60,616	1,646,915	3.82
Mar 31 2017	1,646,915	0	99,685	1,746,600	6.05
Jun 30 2017	1,746,600	-199,980	54,929	1,601,549	3.14
Sep 30 2017	1,601,549	0	71,674	1,673,223	4.48
Dec 31 2017	1,673,223	0	111,071	1,784,294	6.64
Mar 31 2018	1,784,294	0	-13,713	1,770,581	-0.77
Jun 30 2018	1,770,581	-87,209	62,149	1,745,521	3.51

Please see Appendix for page explanations.
 All dollar values are shown in actual dollars.
 Returns for periods exceeding one year are annualized.

Florida Board of Governors Foundation, Inc.
Great Lakes - Small/Mid Cap Equity
 Executive Summary as of June 30, 2018

Account Reconciliation

	06/30/2018	2018	04/30/2015
	QTR	Fiscal YTD	Incept
Beginning Value	972,234	851,933	750,000
Net Flows	-94,000	-94,000	-94,000
Investment G/L	52,485	172,786	274,719
Ending Value	930,719	930,719	930,719

Investment Policy

Index	Weight
Russell 2500	100.00

Trailing Returns Through June 30, 2018

	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	6 Yr	7 Yr	8 Yr	9 Yr	10 Yr	04/30/2015 Incept
Account	20.35	19.83	10.74								10.38
Policy	16.24	18.03	10.30								10.23
Diff	4.11	1.80	0.44								0.15

Fiscal Year Returns Ending June

	QTR	2018 YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009
Account	5.46	20.35	19.30	-5.41							
Policy	5.71	16.24	19.84	-3.67							
Diff	-0.25	4.11	-0.54	-1.74							

Returns In Up Markets

	1 Yr	3 Yr	5 Yr	10 Yr
Account	19.5	16.8		
Policy	16.5	17.6		
Ratio	117.9	95.3		

Returns In Down Markets

	1 Yr	3 Yr	5 Yr	10 Yr
Account	0.7	-7.8		
Policy	-0.2	-10.5		
Ratio	-303.4	74.4		

Fiscal year ends in June.

Returns for periods exceeding one year are annualized. Returns are net time weighted return.

Please see Appendix for page explanations.

Florida Board of Governors Foundation, Inc. Great Lakes - Small/Mid Cap Equity

Risk Measures

1 Year	Fund	Policy	Diff
Negative Periods	5.00	2.00	3.00
Positive Periods	7.00	10.00	-3.00
Batting Average	50.00	50.00	0.00
Worst Qtr	0.73	-0.24	0.97
Best Qtr	9.37	5.71	3.66
Range	8.65	5.95	2.70
Worst 4 Qtrs	20.35	16.24	4.11
Standard Deviation	9.02	8.09	0.93
Beta	1.03	1.00	0.03
Alpha	3.14	0.00	3.14
R-Squared	85.62	100.00	-14.38
Sharpe Ratio	2.11	1.84	0.27
Treynor Ratio	18.43	14.92	3.52
Tracking Error	3.43	0.00	3.43
Information Ratio	1.05	0.00	1.05

3 Years	Fund	Policy	Diff
Negative Periods	14.00	11.00	3.00
Positive Periods	22.00	25.00	-3.00
Batting Average	41.67	58.33	-16.67
Worst Qtr	-8.49	-10.30	1.81
Best Qtr	9.37	6.56	2.81
Range	17.86	16.86	1.00
Worst 4 Qtrs	-5.41	-3.67	-1.74
Standard Deviation	11.83	12.12	-0.29
Beta	0.95	1.00	-0.05
Alpha	0.89	0.00	0.89
R-Squared	94.37	100.00	-5.63
Sharpe Ratio	0.85	0.80	0.06
Treynor Ratio	10.66	9.66	1.00
Tracking Error	2.87	0.00	2.87
Information Ratio	0.11	0.00	0.11

5 Years	Fund	Policy	Diff
Negative Periods	n/a	20.00	n/a
Positive Periods	n/a	40.00	n/a
Batting Average	n/a	n/a	n/a
Worst Qtr	n/a	-10.30	n/a
Best Qtr	n/a	9.08	n/a
Range	n/a	19.37	n/a
Worst 4 Qtrs	n/a	-3.67	n/a
Standard Deviation	n/a	12.02	n/a
Beta	n/a	1.00	n/a
Alpha	n/a	0.00	n/a
R-Squared	n/a	100.00	n/a
Sharpe Ratio	n/a	0.99	n/a
Treynor Ratio	n/a	11.89	n/a
Tracking Error	n/a	0.00	n/a
Information Ratio	n/a	0.00	n/a

Since Inception	Fund	Policy	Diff
Negative Periods	15.00	12.00	3.00
Positive Periods	23.00	26.00	-3.00
Batting Average	38.46	61.54	-23.08
Worst Qtr	-8.49	-10.30	1.81
Best Qtr	9.37	6.56	2.81
Range	17.86	16.86	1.00
Worst 4 Qtrs	-5.41	-3.67	-1.74
Standard Deviation	11.54	11.85	-0.32
Beta	0.94	1.00	-0.06
Alpha	0.66	0.00	0.66
R-Squared	94.13	100.00	-5.87
Sharpe Ratio	0.85	0.81	0.04
Treynor Ratio	10.36	9.62	0.73
Tracking Error	2.87	0.00	2.87
Information Ratio	0.02	0.00	0.02

Please see Appendix for page explanations.

Florida Board of Governors Foundation, Inc.
Great Lakes - Small/Mid Cap Equity
Quarterly Comparison Analysis (%)

Period Ending	Portfolio	Policy	Diff
Jun 30 2015	0.66	1.43	-0.77
Sep 30 2015	-8.49	-10.30	1.81
Dec 31 2015	2.39	3.28	-0.89
Mar 31 2016	0.35	0.39	-0.04
Jun 30 2016	0.60	3.57	-2.98
Sep 30 2016	6.61	6.56	0.05
Dec 31 2016	6.01	6.12	-0.12
Mar 31 2017	2.61	3.76	-1.14
Jun 30 2017	2.88	2.13	0.74
Sep 30 2017	3.59	4.74	-1.15
Dec 31 2017	9.37	5.24	4.13
Mar 31 2018	0.73	-0.24	0.97
Jun 30 2018	5.46	5.71	-0.25

Please see Appendix for page explanations.
Returns for periods exceeding one year are annualized.

Florida Board of Governors Foundation, Inc.
Great Lakes - Small/Mid Cap Equity
Market Values and Cash Flows

Period Ending	Beginning Value	Net Flows	Unrealized Gain/Loss	Ending Value	Return (%)
Jun 30 2015	N/A	750,000	4,954	754,954	0.66
Sep 30 2015	754,954	0	-64,092	690,863	-8.49
Dec 31 2015	690,863	0	16,496	707,359	2.39
Mar 31 2016	707,359	0	2,489	709,848	0.35
Jun 30 2016	709,848	0	4,235	714,083	0.60
Sep 30 2016	714,083	0	47,212	761,295	6.61
Dec 31 2016	761,295	0	45,733	807,028	6.01
Mar 31 2017	807,028	0	21,093	828,120	2.61
Jun 30 2017	828,120	0	23,813	851,933	2.88
Sep 30 2017	851,933	0	30,582	882,515	3.59
Dec 31 2017	882,515	0	82,714	965,228	9.37
Mar 31 2018	965,228	0	7,006	972,234	0.73
Jun 30 2018	972,234	-94,000	52,485	930,719	5.46

Please see Appendix for page explanations.
All dollar values are shown in actual dollars.
Returns for periods exceeding one year are annualized.

Florida Board of Governors Foundation, Inc.

Vanguard Total International Stock - International Equity

Executive Summary as of June 30, 2018

Account Reconciliation

	06/30/2018	2018	04/30/2015
	QTR	Fiscal YTD	Incept
Beginning Value	858,478	776,156	737,951
Net Flows	-28,025	-28,025	-28,025
Investment G/L	-26,220	56,102	94,306
Ending Value	804,232	804,232	804,232

Investment Policy

Index	Weight
MSCI AC Wrld X US Fr	100.00

Trailing Returns Through June 30, 2018

	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	6 Yr	7 Yr	8 Yr	9 Yr	10 Yr	04/30/2015 Incept
Account	7.16	13.42	5.35								3.85
Policy	7.28	13.67	5.07								3.35
Diff	-0.13	-0.25	0.28								0.50

Fiscal Year Returns Ending June

	QTR	2018 YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009
Account	-3.12	7.16	20.05	-9.11							
Policy	-2.61	7.28	20.44	-10.24							
Diff	-0.50	-0.13	-0.39	1.13							

Returns In Up Markets

	1 Yr	3 Yr	5 Yr	10 Yr
Account	11.1	25.0		
Policy	11.5	25.4		
Ratio	96.9	98.5		

Returns In Down Markets

	1 Yr	3 Yr	5 Yr	10 Yr
Account	-3.6	-11.2		
Policy	-3.8	-12.0		
Ratio	94.7	93.8		

Fiscal year ends in June.

Returns for periods exceeding one year are annualized. Returns are net time weighted return.

Please see Appendix for page explanations.

Florida Board of Governors Foundation, Inc. Vanguard Total International Stock - International Equity

Risk Measures

1 Year	Fund	Policy	Diff
Negative Periods	4.00	4.00	0.00
Positive Periods	8.00	8.00	0.00
Batting Average	25.00	75.00	-50.00
Worst Qtr	-3.12	-2.61	-0.50
Best Qtr	5.95	6.17	-0.22
Range	9.07	8.78	0.29
Worst 4 Qtrs	7.16	7.28	-0.13
Standard Deviation	9.25	9.47	-0.22
Beta	0.96	1.00	-0.04
Alpha	0.09	0.00	0.09
R-Squared	97.37	100.00	-2.63
Sharpe Ratio	0.63	0.63	0.00
Treynor Ratio	6.05	5.96	0.09
Tracking Error	1.54	0.00	1.54
Information Ratio	-0.10	0.00	-0.10

3 Years	Fund	Policy	Diff
Negative Periods	15.00	15.00	0.00
Positive Periods	21.00	21.00	0.00
Batting Average	50.00	50.00	0.00
Worst Qtr	-11.61	-12.17	0.57
Best Qtr	8.47	7.86	0.61
Range	20.08	20.03	0.05
Worst 4 Qtrs	-9.11	-10.24	1.13
Standard Deviation	11.26	12.00	-0.74
Beta	0.93	1.00	-0.07
Alpha	0.54	0.00	0.54
R-Squared	97.97	100.00	-2.03
Sharpe Ratio	0.42	0.37	0.05
Treynor Ratio	5.07	4.43	0.65
Tracking Error	1.82	0.00	1.82
Information Ratio	0.09	0.00	0.09

5 Years	Fund	Policy	Diff
Negative Periods	n/a	25.00	n/a
Positive Periods	n/a	35.00	n/a
Batting Average	n/a	n/a	n/a
Worst Qtr	n/a	-12.17	n/a
Best Qtr	n/a	10.09	n/a
Range	n/a	22.27	n/a
Worst 4 Qtrs	n/a	-10.24	n/a
Standard Deviation	n/a	11.55	n/a
Beta	n/a	1.00	n/a
Alpha	n/a	0.00	n/a
R-Squared	n/a	100.00	n/a
Sharpe Ratio	n/a	0.48	n/a
Treynor Ratio	n/a	5.60	n/a
Tracking Error	n/a	0.00	n/a
Information Ratio	n/a	0.00	n/a

Since Inception	Fund	Policy	Diff
Negative Periods	17.00	17.00	0.00
Positive Periods	21.00	21.00	0.00
Batting Average	53.85	46.15	7.69
Worst Qtr	-11.61	-12.17	0.57
Best Qtr	8.47	7.86	0.61
Range	20.08	20.03	0.05
Worst 4 Qtrs	-9.11	-10.24	1.13
Standard Deviation	11.13	11.87	-0.74
Beta	0.93	1.00	-0.07
Alpha	0.65	0.00	0.65
R-Squared	97.97	100.00	-2.03
Sharpe Ratio	0.29	0.23	0.06
Treynor Ratio	3.50	2.74	0.76
Tracking Error	1.80	0.00	1.80
Information Ratio	0.21	0.00	0.21

Please see Appendix for page explanations.

Florida Board of Governors Foundation, Inc.
Vanguard Total International Stock - International Equity
Quarterly Comparison Analysis (%)

Period Ending	Portfolio	Policy	Diff
Jun 30 2015	-3.61	-4.31	0.69
Sep 30 2015	-11.61	-12.17	0.57
Dec 31 2015	2.74	3.25	-0.51
Mar 31 2016	-0.17	-0.37	0.20
Jun 30 2016	0.26	-0.65	0.90
Sep 30 2016	6.65	6.91	-0.26
Dec 31 2016	-1.93	-1.25	-0.68
Mar 31 2017	8.47	7.86	0.61
Jun 30 2017	5.82	5.78	0.05
Sep 30 2017	5.95	6.17	-0.22
Dec 31 2017	4.88	5.01	-0.12
Mar 31 2018	-0.46	-1.18	0.72
Jun 30 2018	-3.12	-2.61	-0.50

Please see Appendix for page explanations.
Returns for periods exceeding one year are annualized.

Florida Board of Governors Foundation, Inc.
Vanguard Total International Stock - International Equity
Market Values and Cash Flows

Period Ending	Beginning Value	Net Flows	Unrealized Gain/Loss	Ending Value	Return (%)
Jun 30 2015	N/A	750,000	-38,704	711,296	-3.61
Sep 30 2015	711,296	0	-82,547	628,749	-11.61
Dec 31 2015	628,749	0	17,237	645,986	2.74
Mar 31 2016	645,986	0	-1,122	644,864	-0.17
Jun 30 2016	644,864	0	1,652	646,516	0.26
Sep 30 2016	646,516	0	42,989	689,505	6.65
Dec 31 2016	689,505	0	-13,331	676,175	-1.93
Mar 31 2017	676,175	0	57,274	733,448	8.47
Jun 30 2017	733,448	0	42,707	776,156	5.82
Sep 30 2017	776,156	0	46,192	822,348	5.95
Dec 31 2017	822,348	0	40,139	862,486	4.88
Mar 31 2018	862,486	0	-4,009	858,478	-0.46
Jun 30 2018	858,478	-28,025	-26,220	804,232	-3.12

Please see Appendix for page explanations.
All dollar values are shown in actual dollars.
Returns for periods exceeding one year are annualized.

Florida Board of Governors Foundation, Inc.
Sawgrass - Intermediate Fixed Income
 Executive Summary as of June 30, 2018

Account Reconciliation

	06/30/2018	2018	04/30/2015
	QTR	Fiscal YTD	Incept
Beginning Value	2,077,772	2,078,622	2,000,000
Net Flows	0	0	0
Investment G/L	912	63	78,685
Ending Value	2,078,685	2,078,685	2,078,685

Investment Policy

Index	Weight
BBgBarc Interm Gov't/Credit Index	100.00

Trailing Returns Through June 30, 2018

	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	6 Yr	7 Yr	8 Yr	9 Yr	10 Yr	04/30/2015 Incept
Account	0.00	0.33	1.58								1.23
Policy	-0.58	-0.40	1.16								0.91
Diff	0.58	0.72	0.42								0.32

Fiscal Year Returns Ending June

	QTR	2018 YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009
Account	0.04	0.00	0.65	4.13							
Policy	0.01	-0.58	-0.21	4.33							
Diff	0.04	0.58	0.87	-0.21							

Returns In Up Markets

	1 Yr	3 Yr	5 Yr	10 Yr
Account	0.8	3.7		
Policy	0.6	3.8		
Ratio	127.9	99.2		

Returns In Down Markets

	1 Yr	3 Yr	5 Yr	10 Yr
Account	-0.8	-2.6		
Policy	-1.2	-3.9		
Ratio	65.1	67.6		

Fiscal year ends in June.

Returns for periods exceeding one year are annualized. Returns are net time weighted return.

Please see Appendix for page explanations.

Florida Board of Governors Foundation, Inc. Sawgrass - Intermediate Fixed Income

Risk Measures

1 Year	Fund	Policy	Diff
Negative Periods	6.00	7.00	-1.00
Positive Periods	6.00	5.00	1.00
Batting Average	75.00	25.00	50.00
Worst Qtr	-0.98	-0.98	0.00
Best Qtr	0.73	0.60	0.13
Range	1.72	1.58	0.14
Worst 4 Qtrs	0.00	-0.58	0.58
Standard Deviation	1.27	1.61	-0.35
Beta	0.77	1.00	-0.23
Alpha	0.14	0.00	0.14
R-Squared	93.02	100.00	-6.98
Sharpe Ratio	-1.04	-1.18	0.14
Treynor Ratio	-1.73	-1.91	0.18
Tracking Error	0.51	0.00	0.51
Information Ratio	1.14	0.00	1.14

3 Years	Fund	Policy	Diff
Negative Periods	11.00	16.00	-5.00
Positive Periods	25.00	20.00	5.00
Batting Average	58.33	41.67	16.67
Worst Qtr	-1.76	-2.07	0.30
Best Qtr	1.99	2.45	-0.46
Range	3.75	4.51	-0.76
Worst 4 Qtrs	0.00	-0.58	0.58
Standard Deviation	1.64	1.98	-0.34
Beta	0.79	1.00	-0.21
Alpha	0.52	0.00	0.52
R-Squared	90.43	100.00	-9.57
Sharpe Ratio	0.57	0.26	0.31
Treynor Ratio	1.18	0.52	0.67
Tracking Error	0.66	0.00	0.66
Information Ratio	0.62	0.00	0.62

5 Years	Fund	Policy	Diff
Negative Periods	n/a	27.00	n/a
Positive Periods	n/a	33.00	n/a
Batting Average	n/a	n/a	n/a
Worst Qtr	n/a	-2.07	n/a
Best Qtr	n/a	2.45	n/a
Range	n/a	4.51	n/a
Worst 4 Qtrs	n/a	-0.58	n/a
Standard Deviation	n/a	2.01	n/a
Beta	n/a	1.00	n/a
Alpha	n/a	0.00	n/a
R-Squared	n/a	100.00	n/a
Sharpe Ratio	n/a	0.60	n/a
Treynor Ratio	n/a	1.20	n/a
Tracking Error	n/a	0.00	n/a
Information Ratio	n/a	0.00	n/a

Since Inception	Fund	Policy	Diff
Negative Periods	13.00	17.00	-4.00
Positive Periods	25.00	21.00	4.00
Batting Average	53.85	46.15	7.69
Worst Qtr	-1.76	-2.07	0.30
Best Qtr	1.99	2.45	-0.46
Range	3.75	4.51	-0.76
Worst 4 Qtrs	0.00	-0.58	0.58
Standard Deviation	1.66	1.96	-0.30
Beta	0.81	1.00	-0.19
Alpha	0.37	0.00	0.37
R-Squared	89.96	100.00	-10.04
Sharpe Ratio	0.37	0.15	0.22
Treynor Ratio	0.77	0.30	0.47
Tracking Error	0.66	0.00	0.66
Information Ratio	0.47	0.00	0.47

Please see Appendix for page explanations.

Florida Board of Governors Foundation, Inc.
Sawgrass - Intermediate Fixed Income
 Quarterly Comparison Analysis (%)

Period Ending	Portfolio	Policy	Diff
Jun 30 2015	-0.83	-0.59	-0.25
Sep 30 2015	0.69	0.95	-0.26
Dec 31 2015	-0.12	-0.69	0.57
Mar 31 2016	1.99	2.45	-0.46
Jun 30 2016	1.52	1.59	-0.07
Sep 30 2016	0.63	0.16	0.47
Dec 31 2016	-1.76	-2.07	0.30
Mar 31 2017	0.94	0.78	0.15
Jun 30 2017	0.87	0.94	-0.07
Sep 30 2017	0.73	0.60	0.13
Dec 31 2017	0.22	-0.20	0.42
Mar 31 2018	-0.98	-0.98	0.00
Jun 30 2018	0.04	0.01	0.04

Please see Appendix for page explanations.
 Returns for periods exceeding one year are annualized.

Florida Board of Governors Foundation, Inc.
Sawgrass - Intermediate Fixed Income
Market Values and Cash Flows

Period Ending	Beginning Value	Net Flows	Unrealized Gain/Loss	Ending Value	Return (%)
Jun 30 2015	N/A	2,000,000	-16,678	1,983,322	-0.83
Sep 30 2015	1,983,322	0	13,661	1,996,983	0.69
Dec 31 2015	1,996,983	0	-2,316	1,994,667	-0.12
Mar 31 2016	1,994,667	0	39,644	2,034,310	1.99
Jun 30 2016	2,034,310	0	30,837	2,065,148	1.52
Sep 30 2016	2,065,148	0	12,968	2,078,116	0.63
Dec 31 2016	2,078,116	0	-36,618	2,041,498	-1.76
Mar 31 2017	2,041,498	0	19,107	2,060,604	0.94
Jun 30 2017	2,060,604	0	18,017	2,078,622	0.87
Sep 30 2017	2,078,622	0	15,232	2,093,853	0.73
Dec 31 2017	2,093,853	0	4,588	2,098,442	0.22
Mar 31 2018	2,098,442	0	-20,669	2,077,772	-0.98
Jun 30 2018	2,077,772	0	912	2,078,685	0.04

Please see Appendix for page explanations.
All dollar values are shown in actual dollars.
Returns for periods exceeding one year are annualized.



REPORT EXPLANATIONS

Executive Summary

The Executive Summary provides an overview of the fund's performance. It shows the performance in dollars, percent, and relative to the investment policy. These statistics are provided over different time periods including up and down markets. All rates of return are annualized if the period for which they are calculated exceeds one year.

Account Reconciliation: This section shows the performance of the account in dollars, during the most recent quarter, the calendar year, and since the inception date. The Beginning Value is the value at the start of each period. The Ending Value shows the value as of the date of the report. Net contributions are the total contributions less the total withdrawals during the period. The Investment G/L is the gain or loss resulting from the investments. It is the difference between the beginning and ending values that cannot be explained by the net contributions. Positive investment G/L figures represent a profit, and negative values represent a loss.

Investment Policy: This section defines the benchmark against which the fund is being compared. Generally, this is the most important objective for a fund to achieve. The performance of the fund relative to this measure over longer periods of time, such as market cycles, is the strongest indicator of the success or failure of the investment strategy. This objective should be reasonable, and the performance of the fund should be measured against the investment policy after adjusting for risk.

Trailing Returns: This section shows the cumulative time weighted returns over the last 1 year, 2 years, and so on up through 10 years if available, as well as since the inception date. A positive difference indicates the fund has exceeded the policy's returns. The investor would prefer that this difference be positive for all time periods; however, it is more important for it to be positive for the longer periods rather than the shorter periods.

Calendar Year Returns: This section gauges the consistency of performance over one year time periods. Each calendar year of performance represents the return from January 1st through December 31st. Watch out for a trend of declining relative performance in recent periods.

Time Weighted Return: This statistic demonstrates a measure of the compound rate of growth in a portfolio. Because this method eliminates the distorting effects created by the size and timing of cash flows, it is used to compare the returns of investment managers.

Dollar Weighted Return: This demonstrates the rate of return for an asset or portfolio of assets. It is calculated by finding the rate of return that will set the present values of all cash flows and terminal values equal to the value of the initial investment. The dollar weighted rate of return incorporates the size and timing of cash flows and is equivalent to the internal rate of return (IRR).

Returns In Up/Down Markets: This section shows how the fund performed in both up and down markets. The methodology utilized segregates the performance for each time period into the quarters in which the market, as defined by the policy, was positive and negative. Quarters with negative policy returns are treated as down markets, and quarters with positive policy returns are treated as up markets. Thus, in a 3 year or 12 quarter period, there might be 4 down quarters and 8 up quarters. Up market returns are calculated for the fund and the policy based on the up quarters. Down market returns are calculated for the fund and the policy based on the down quarters. The ratio of the fund's return in up markets to that of the policy is the up market capture ratio. The ratio of the fund's return in down markets to that of the policy is the down market capture ratio. Ideally, the fund would have a greater up market capture ratio and a smaller down market capture ratio.



Risk Measures

The evaluation of a fund's performance should extend beyond return to encompass measures of risk. The next two pages illustrate the level of risk to which the fund has been exposed, and whether the return has been commensurate with the risk taken. All measures are calculated for the fund and the policy as well as the difference between the two. Up to four time periods are evaluated depending on the age of the fund.

Of Negative Qtrs/# Of Positive Qtrs: Number of negative quarters shows the number of quarters in which the return was less than zero. The number of positive quarters is the number of quarterly returns which were greater or equal to zero.

Batting Average: The batting average is a measure of consistency. It shows the percent of the quarters the fund has beaten the policy and the percent of the quarters the policy has outperformed the fund. A high average for the fund (e.g. over 50) is desirable, indicating the fund has beaten the policy frequently.

Worst Quarter/Best Quarter/Range: The worst quarter is the lowest quarterly return experienced during the period, a measure of downside risk. The best quarter is the highest quarterly return, and the range is the difference of the high and low, and indicates dispersion.

Standard Deviation: Standard deviation measures the total volatility of the fund, by measuring dispersion. Higher standard deviation indicates higher risk. If the quarterly or monthly returns are all the same the standard deviation will be zero. The more they vary from one another, the higher the standard deviation. Thus, it measures uncertainty, which is a measure of risk.

Alpha/Beta/R-Squared: If the policy is appropriate, then the alpha should be positive, the beta close to one, and the r-squared should be high. Beta measures risk relative to the policy. A beta of 1 suggests risk equivalent to the policy. Higher betas indicate higher relative risk. A beta of 1.2 indicates 20% more risk than the policy. The alpha measures the return adjusted for beta. A higher alpha indicates a higher risk adjusted return. R-squared measures the relationship between the policy and the fund. A high r squared means the returns of the fund can largely be explained by movements of the policy. A higher r-squared indicates a more reliable alpha and beta. R-squared may range from 0 to 100. Beta, alpha and r-squared are derived from regression analysis using the fund and policy returns as the dependent and independent variables respectively. Roughly, one would expect the fund's performance to equal the return of the policy multiplied by the beta plus the alpha.

Sharpe Ratio/Treynor Ratio: The Sharpe and Treynor ratios are similar. The Sharpe ratio is the excess return per unit of total risk as measured by standard deviation. The Treynor ratio is the excess return per unit of market risk as measured by beta. Both of these should be compared against the corresponding value for the policy. Higher numbers are better, indicating more return for the level of risk that was experienced.

Tracking Error/Information Ratio: Tracking error is a measure of how closely a portfolio follows the index to which it is benchmarked, or a measure of the deviation from the benchmark. Dividing portfolio return by portfolio tracking error gives the information ratio, which is a risk adjusted performance metric.



Quarterly Comparison Analysis (\$)

This report shows the performance, in dollars, of the fund relative to the objectives. The purpose is to show a hypothetical value that reflects what the account would be worth if it had instead invested in each objective.

The column titled "Portfolio" shows the actual values in the portfolio at the end of the quarter. The amount shown for the first date is the same for each objective as that of the fund. This is the amount assumed to be invested in each objective. All other values for the objectives are based on reinvesting the preceding amount, earning the return of the objective, and adjusting for contributions or withdrawals to the fund.

A positive difference between the fund and an objective represents the additional dollars that are in the fund that would not be available if the fund had actually experienced the return of the objective. A negative difference may be thought of as the cost incurred in experiencing the actual performance instead of the objective performance.

The report will show results since the inception of the fund, or quarterly results over the last five years, whichever is less.

Quarterly Comparison Analysis (%)

This page compares the returns of the portfolio to the returns of the investment policy and to the other investment objectives quarter by quarter for the last five years. The last row shows the returns since inception.

The purpose of this page is to indicate how closely the portfolio has tracked its objectives, particularly the investment policy. If the quarterly differences are small, then the portfolio has tracked the objectives closely. Wide discrepancies suggest that the portfolio is being invested in a fashion which does not resemble the underlying objective. It is not likely a portfolio invested in stocks and/or bonds will track a fixed (e.g. 10%) rate of return, or inflation very closely. However, a portfolio invested in securities should be able to track an index comprised of similar securities.

This page also provides a measure of the portfolio's ability to meet its objectives frequently. If the portfolio often outperforms the objective, then the difference column will have a preponderance of positive values.

If the investment policy or the objectives have changed over time, the heading at the top of each column will only reflect the current policy and objectives, even though the quarterly returns include the alterations.

Market Values and Cash Flows

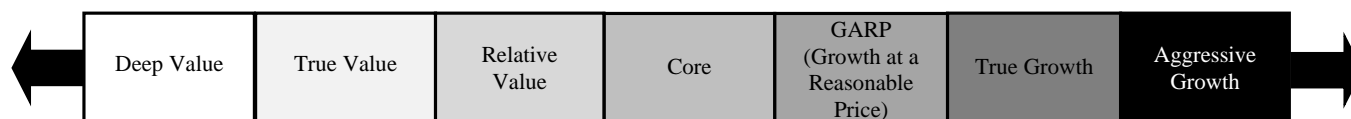
This page summarizes the market values, cash flows, unrealized net gain or loss and returns for the fund. Net flows refer to the contributions less the withdrawals from the fund. This page illustrates the change in market value through time, and suggests whether changes were due to contributions, withdrawals, or unrealized investment profits.



EQUITY INVESTMENT STYLES

In an attempt to achieve diversification, investors may invest in a variety of asset classes. Different asset classes, such as small, mid, large and all capitalization, offer vastly different levels of risk and potential rewards, but so does investment style diversification. Growth and Value investments tend to go in and out of favor in a cyclical pattern. Dividing your portfolio among asset classes that do not respond to the same market environments the same way at the same time has the potential to help minimize the effects of market volatility, as well as help to maximize the chances of increased returns over time. Ideally, when investments in one class are performing poorly, the assets in another class are doing well. The gains in the latter would potentially offset the losses in the former, minimizing the overall effect on your portfolio. Note that one can diversify away much of the risks of holding a single investment, but one cannot diversify away the risks of simply being invested in the market.

Equity investment managers will typically fall into a particular "Style" category, purchasing stocks with either growth or value characteristics. Understanding the intricacies of the particular equity styles allows you to combine investment managers with complementary styles more efficiently. Or, if you select a single investment style, knowledge of the style categories may help you plan for the ups and downs associated with a particular style. Below are descriptions of the different investment styles.



The Core Style

The philosophy behind a core investment style is to have no bias towards growth or value, only the quality of the position. Typically a core portfolio searches to buy shares in companies that an investment manager believes would perform well in all market environments. As a result, they tend to contain a mixture of both growth and value shares.

The Value Style

A simple way to describe value investing is that it is an approach that seeks to buy companies that offer the best value for the money. Value managers look for companies with prices that are believed to be undervalued relative to the market. Undiscovered companies or stocks that have price movements that do not correspond to the company's long-term fundamentals are generally considered to be value investments.

Relative value: investment will employ a value-oriented strategy that is "diluted" in nature in comparison with the true value style. Relative value managers tend to outperform their deeper value peers during periods when growth is outperforming value, however tend to trail during market conditions that favor a deeper value posture. Relative value managers have a definite value emphasis, but often have some growth overlays in security selection.

True value: investment style exhibits characteristics similar to those of the Russell 1000 Value Index. We often times refer to true value as a "plain vanilla" value investment approach. This type of portfolio will hold many of the same positions as the Russell 1000 Value Index, or positions whose characteristics in aggregate are similar to the overall characteristics of the Index.

Deep value: investing is the extreme of the value-oriented styles. A deep value strategy will avoid stocks that are the latest market fad. A deep value manager will typically invest in companies or industries that are out of favor, with the anticipation that the tides will turn and the investment will pay off. Deep value managers tend to demonstrate performance volatility, as they usually outperform their less value-biased peers during periods when value is outperforming growth. The reverse takes place when growth is outperforming, the deeper value styles will generally underperform their relative and true value peers.



The Growth Style

Investment managers who chose to implement a growth style search for companies that are growing their earnings at a rapid pace. The companies are expected to grow faster than the stock market average. A growth investor tends to aim for big gains over the long term and must be willing to withstand the ups and downs of the growth oriented market.

Growth at a Reasonable Price ("GARP") investing combines the search for sustainable earnings growth with an emphasis on valuation. GARP investing reflects the desire to find companies that could be undervalued, but have solid sustainable growth potential. A GARP investment has historically been favored when the economy begins to slow because the consistent earnings of high quality companies become increasingly attractive. GARP investment managers maintain, generally speaking, that over long periods of time, stocks go up for one reason - underlying earnings growth.

True Growth: A true growth portfolio will typically display characteristics similar to those of the Russell 1000 Growth Index. A manager who employs a true growth management style will purchase many of the same companies that are in the Russell 1000 Growth Index, or a portfolio of holdings whose characteristics are similar to those of the Index. They seek to purchase only companies that remain faithful to the category of a "growth" investment style.

Aggressive Growth: Investment managers that seek the highest of earnings growth, regardless of valuation, are considered aggressive growth managers. They seek aggressive and sometimes emerging growth stocks, and are often dramatically overweight traditional growth-oriented sectors like Technology, for example.

Which is the best style? Many investors buy into a particular investment style that experienced above- average performance results after those performance results were achieved, only to sell out of that particular style when it begins to suffer a more difficult performance run. We maintain that it is prudent for investors not only to seek out investment managers who have demonstrated consistency as it relates to people, philosophy/process and performance, but also to choose managers in whom they can maintain conviction over the long term, so as to avoid the untimely cost of switching styles. We believe that understanding the uniqueness of each investment style is key to staying the course.

Source: Wells Fargo Advisors, LLC

FLORIDA BOARD OF GOVERNORS
FOUNDATION
3RD QUARTER, 2018

QUARTERLY REVIEW

CAPTRUST

400 N. Tampa Street, Suite 1800
Tampa, FL 33602

Our mission is to enrich the lives of our clients, colleagues and communities through sound financial advice, integrity, and a commitment to service beyond expectation.

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Florida Board Of Governors Foundation

Florida Board Of Governors Foundation

3rd Quarter, 2018 Quarterly Review

prepared by:

Stephen Schott

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Foundation Services

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INDUSTRY UPDATES

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Appendix

SECTION 1: INDUSTRY UPDATES

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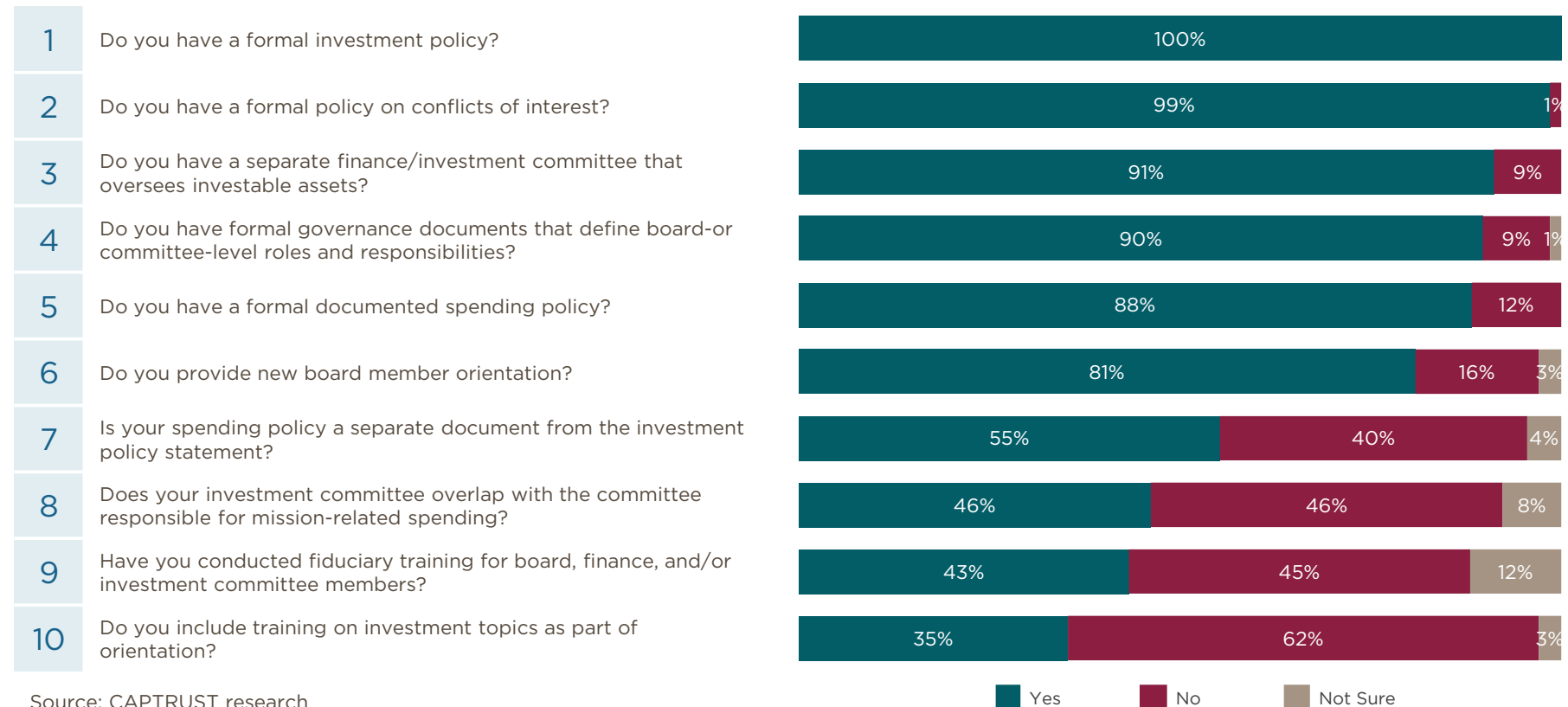
Florida Board Of Governors Foundation

ENDOWMENT & FOUNDATION — INDUSTRY UPDATE

Period Ending 9.30.18 | Q3 18

HOW WIDESPREAD ARE FIDUCIARY BEST PRACTICES?

The Uniform Prudent Management of Institutional Funds Act (UPMIFA) identifies a standard of conduct associated with managing and investing institutional assets. While UPMIFA covers broad fiduciary concepts, CAPTRUST has identified a number of best practices. We recently investigated the prevalence of these best practices in our survey of endowments and foundations. How does your organization compare?



Organizational goals and objectives vary. While no single set of best practices will be universally appropriate, peer data serves as a helpful reference to evaluate how these concepts apply to your nonprofit. Please contact your CAPTRUST financial advisor if you have questions about any individual practice.

SECTION 2: MARKET COMMENTARY AND REVIEW

Period Ending 9.30.18 | **Q3 18**

Florida Board Of Governors Foundation

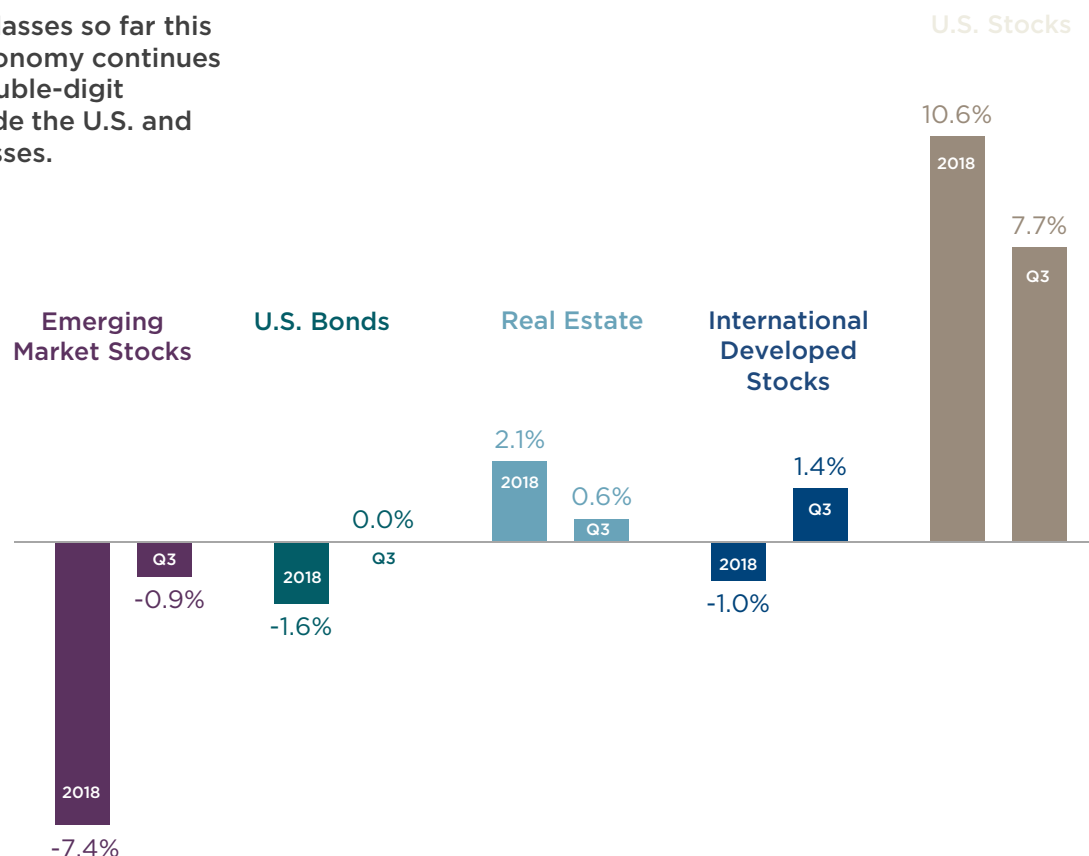
MARKET COMMENTARY

Period Ending 9.30.18 | Q3 18

U.S. STOCKS LEAD THE WAY

U.S. stocks are a standout among the major asset classes so far this year. Although it has cooled somewhat, the U.S. economy continues to grow at an elevated pace, boosting stocks to double-digit returns this year. Meanwhile, sluggish growth outside the U.S. and rising interest rates have hampered other asset classes.

- U.S. stocks added to their gains for the year, as solid corporate earnings and strong economic growth offset concerns about escalating trade tensions. In the third quarter, large-cap stocks posted their best quarterly performance in nearly five years.
- International developed stocks are slightly negative due to sluggish economic growth and trade tensions.
- Emerging market stocks continue to face pressure from a stronger U.S. dollar and economic turmoil in several countries, including Turkey and Argentina.
- Bonds treaded water in the third quarter. They have logged a small loss for the year as interest rates reached their highest levels in five years.
- Public real estate rose slightly in Q3 and remains modestly positive for the year despite pressure from higher rates.



Asset class returns are represented by the following indexes: S&P 500 Index (U.S. large-cap stocks), MSCI EAFE Index (international developed stocks), MSCI Emerging Markets Index (emerging market stocks), Bloomberg Barclays U.S. Aggregate Bond Index (U.S. bonds), and Dow Jones U.S. Real Estate Index (real estate).

MARKET COMMENTARY

Period Ending 9.30.18 | Q3 18

DIGGING DEEPER: STOCKS AND BONDS

Equities

	Q3 2018	YTD 2018	Last 12 Months
U.S. Stocks	7.7%	10.6%	17.9%
- Best Sector: Health Care	14.5%	16.6%	18.3%
- Worst Sector: Materials	0.4%	-2.7%	4.0%
International Stocks	1.4%	-1.0%	3.2%
Emerging Market Stocks	-0.9%	-7.4%	-0.4%

Fixed Income

	9.30.18	6.30.18	9.30.17
1-Year U.S. Treasury Yield	2.59%	2.33%	1.31%
10-Year U.S. Treasury Yield	3.05%	2.85%	2.33%
	QTD 2018	YTD 2018	Last 12 Months
10-Year U.S. Treasury Total Return	-1.09%	-3.73%	-3.75%

Equities – Relative Performance by Market Capitalization and Style

Q3 2018				YTD 2018				2017			
	Value	Blend	Growth		Value	Blend	Growth		Value	Blend	Growth
Large	5.7%	7.7%	9.2%	Large	3.9%	10.6%	17.1%	Large	13.7%	21.8%	30.2%
Mid	3.3%	5.0%	7.6%	Mid	3.1%	7.5%	13.4%	Mid	13.3%	18.5%	25.3%
Small	1.6%	3.6%	5.5%	Small	7.1%	11.5%	15.8%	Small	7.8%	14.6%	22.2%

Asset class returns are represented by the following indexes: S&P 500 Index (U.S. stocks), MSCI EAFE Index (international stocks), and MSCI Emerging Markets Index (emerging market stocks). Relative performance by market capitalization and style is based upon the Russell Pure Style Indexes except for large-cap blend, which is based upon the S&P 500 Index. Source: Bloomberg, U.S. Treasury, Barclays Live.

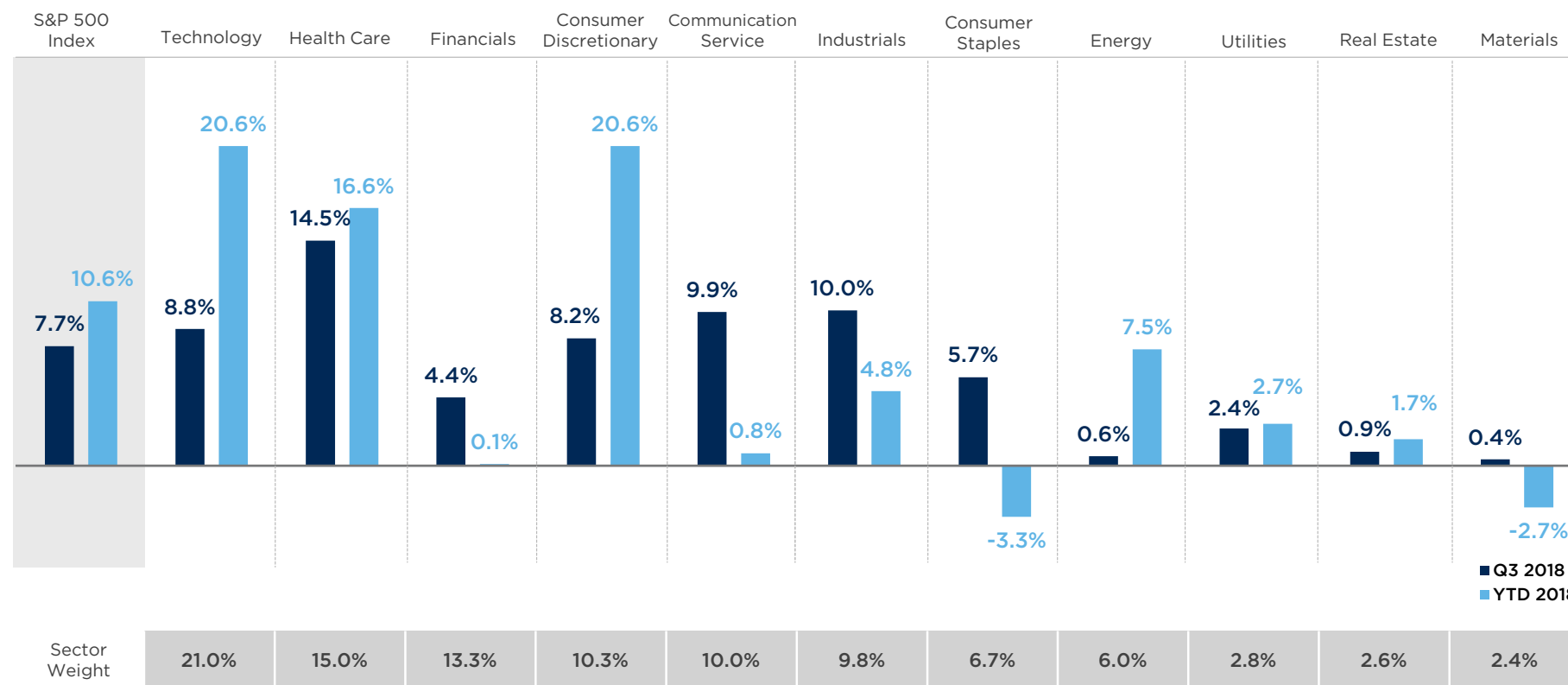
MARKET COMMENTARY

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DIGGING DEEPER: U.S. EQUITY MARKETS

The S&P 500 Index is a market capitalization weighted index of U.S. large-cap stocks across a diversity of industry sectors. The stocks represented in those 11 sectors generated a range of returns in 2018.

Returns by S&P 500 Sector



Source: Bloomberg. Data as of 9.30.2018. All calculations are cumulative total return, not annualized, including dividends for the stated period. Past performance is not indicative of future returns.

MARKET COMMENTARY

Period Ending 9.30.18 | Q3 18

DIGGING DEEPER: FIXED INCOME MARKET

Interest Rates	3 Month	2 Year	5 Year	10 Year	30 Year	Mortgage Rate
June 2018	1.93%	2.52%	2.73%	2.85%	2.98%	4.40%
September 2018	2.19%	2.81%	2.94%	3.05%	3.19%	4.57%
Change	0.26%	0.29%	0.21%	0.20%	0.21%	0.17%

Interest rates rose relatively evenly across the yield curve in the third quarter, buoyed by the Federal Reserve on the front and solid growth and inflation on the longer end. Mortgage rates rose roughly in line with Treasury rates for the quarter.

Bloomberg Barclays U.S. Aggregate Bond Index	Yield to Worst	Duration	Total Return	Spread	Treasury Rate	AA Spread	BBB Spread
June 2018	3.29%	6.01		0.44%	2.85%	0.62%	1.57%
September 2018	3.46%	6.03		0.39%	3.07%	0.53%	1.36%
Change	0.17%	0.02	0.02%	-0.05%	0.22%	-0.09%	-0.21%

The Bloomberg Barclays U.S. Aggregate Bond Index was flat for the quarter. The index's yield and modest spread tightening offset the negative impact from rising rates.

Bloomberg Barclays U.S. Long Credit Index	Yield to Worst	Duration	Total Return	Spread	Treasury Rate	AA Spread	BBB Spread
June 2018	4.69%	13.41		1.74%	2.95%	1.08%	2.17%
September 2018	4.68%	13.39		1.53%	3.15%	0.96%	1.89%
Change	-0.01%	-0.02	1.26%	-0.21%	0.20%	-0.12%	-0.28%

Following a weak second quarter, long credit performed well with a 1.26% return for Q3. The negative impact of rising rates was more than offset by yield and spread tightening, particularly from BBB credits.

Source: Bloomberg, Barclays Live, CAPTRUST, U.S Treasury.

MARKET COMMENTARY

Period Ending 9.30.18 | Q3 18

ECONOMIC OUTLOOK

The global economic picture typically consists of favorable attributes (tailwinds) and challenges (headwinds). Here, we provide our perspective on both and offer our view on which side has the upper hand.

TAILWINDS

The U.S. Economy Remains Strong

- The U.S. economy continues to grow at an elevated pace—although not quite as fast as the last two quarters.
- Jobs continue to be plentiful, and wage growth remains contained with few signs of overheating.

**Business Confidence Bodes Well**

- The NFIB Index of Small Business Optimism has reached a 45-year high. Small business owners are ebullient about business expectations, driven by changes in the tax and regulatory landscape.
- Corporate reinvestment (CapEx) and stock buybacks both continue to increase.

Rising Rates: Good for Savers

- Interest rates on savings have gone from near zero to 2% between December 2015 and September 2018.
- Savers should start to feel the benefits of rising interest rates as short-term savings rates turn into more income.

Expansionary Policies in China

- China has increased policy measures to encourage lending and expand economic growth.

HEADWINDS

Trade Talks and Tariff Tensions

- While trade tensions with Mexico and Canada are subsiding, tension with China persists.
- Tariffs on Chinese goods grab the headlines, but the estimated impact of tariffs pales in comparison to the current level of stimulus.

**Midterm Maelstrom**

- Uncertainty remains about the potential market impact of midterm elections, and policy making may slow down as Congress focuses on reelection.
- Polls suggest the Democrats will take control of the House and Republicans will retain the Senate. A Democratic sweep could result in drug price legislation and greater infrastructure spending, goals shared by President Trump.

Global Economic Growth Slows Down

- Major economies continue expanding, but at a slower pace.

Rising Rates: Trouble on the Horizon?

- Higher interest rates mean higher mortgage rates for many, which may dampen household income and housing demand.
- Yield curve inversion is not a reliable signal of a near-term recession or stock market selloff.

Overall, the global economic backdrop continues to be strong. At current valuations, U.S. stocks are close to their 25-year median valuations.

MARKET COMMENTARY

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DOLLARS FOR BOTH BUYBACK AND CAPEX

The Tax Cuts and Jobs Act enacted late last year led many to wonder how companies would invest their windfalls from lower tax rates and repatriated cash. Would they continue their high levels of stock buybacks or would they reinvest in plant and equipment to fuel future growth? Early data suggests that companies have been able to do both.

Growth of CapEx and Share Repurchases (\$Billion)

	CASH SPENDING	H1 2017	H1 2018	Y-O-Y GROWTH
S&P 500	Repurchases	\$253.3	\$379.7	50%
	CAPEX	\$288.6	\$344.1	19%
Apple	Repurchases	\$18.0	\$33.6	87%
	CAPEX	\$5.4	\$7.3	35%
Google	Repurchases	\$5.3	\$12.8	142%
	CAPEX	\$2.7	\$4.2	56%

OBSERVATIONS

- S&P 1500 companies have reported a sharp acceleration in capital expenditures in the second quarter, a year-over-year increase of more than 22%.
- The S&P 1500 is a broad index of domestic stocks, representing 90% of U.S. market capitalization.
- This level of growth is the fastest pace of business investment since 2011.
- Higher capital expenditures could lead to higher wages, corporate profits, and GDP growth. Meanwhile, share repurchases support stock prices and earnings growth.

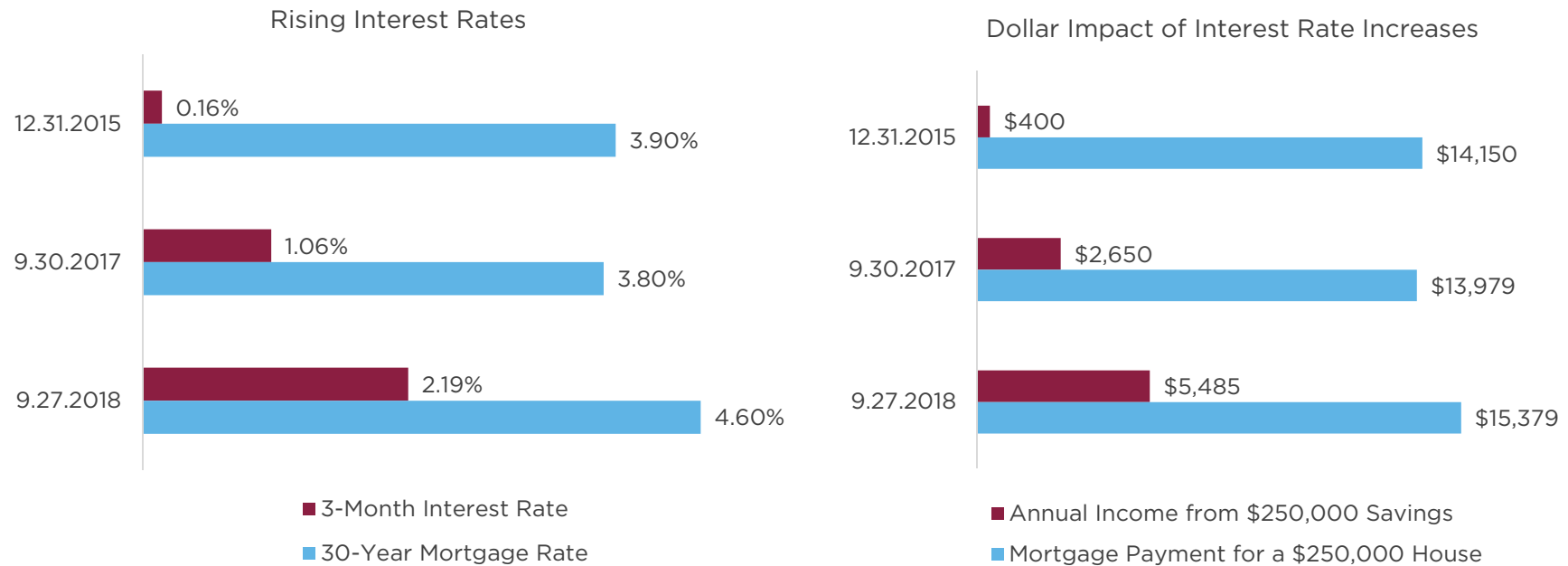
Source: S&P Dow Jones, Apple, Google, Cornerstone Macro

MARKET COMMENTARY

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HIGHER INTEREST RATES—A MIXED BLESSING

The Federal Reserve has raised short-term rates eight times since December 2015, with an increase each time of 0.25%. Higher rates can have positive and negative effects—benefiting savers seeking income while causing mortgage and other debt payments to rise.



OBSERVATIONS

- While the interest rates on savings and borrowing have increased, mortgage rates have ticked up only slightly, while savings rates have risen more dramatically.
- A saver with \$250,000 would earn \$5,085 more in interest income each year, while a homeowner with a \$250,000 mortgage would see his or her annual payment rise by \$1,229.

Source: Bloomberg, Treasury.gov

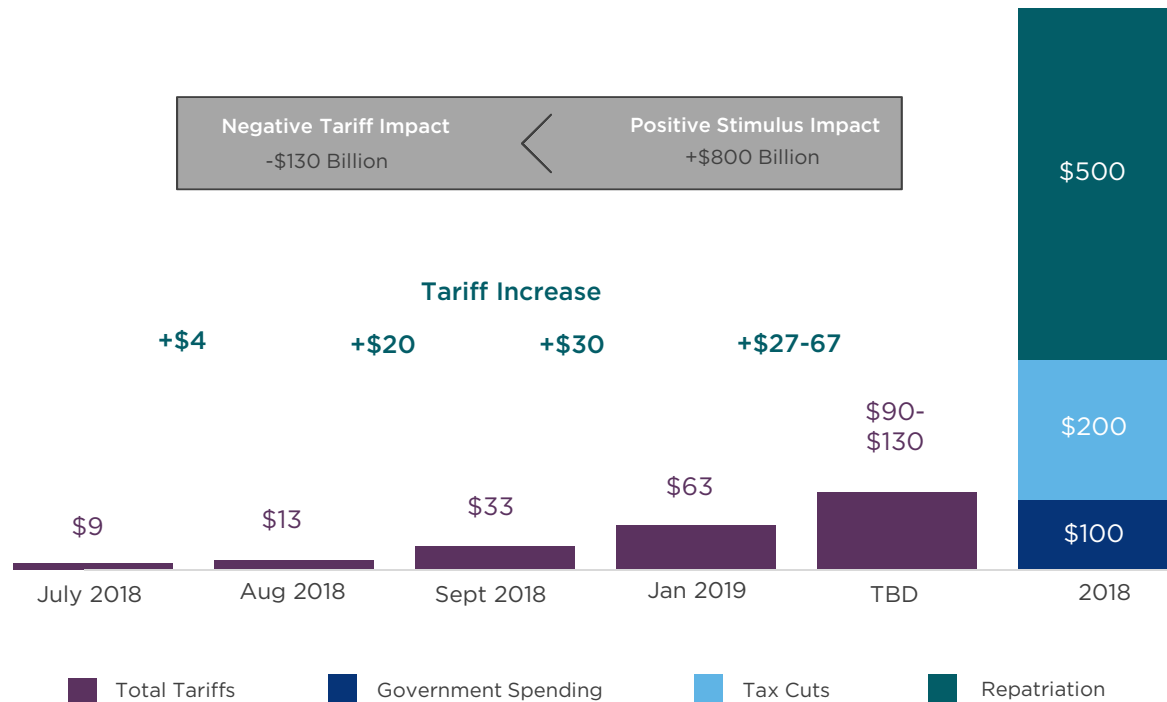
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FISCAL STIMULUS TRUMPS TARIFF TALK

The estimated impact of tariffs enacted so far is \$33 billion, and this amount could reach \$63 billion by the start of 2019 (based upon tariffs announced but not yet enacted). The total number could grow further, depending upon the actions (and reactions) of the U.S. and China. While these seem like big numbers that could potentially hamper the U.S. economy, the total tariff number is dwarfed by the total amount of stimulus generated by tax cuts, increased spending, and repatriations.

Timeline for Tariffs Announced
by U.S. Government on Chinese Goods (\$Billion)



OBSERVATIONS

- An estimated tariff impact of \$90-\$130 billion would represent approximately 0.6% of U.S. gross domestic product. This amount is lamentable but manageable, and we still expect economic growth.
- The previous estimate of \$500 billion of stimulus from repatriation could prove to be conservative. Preliminary data shows a potential for as much as \$700 billion in repatriations.
- This could bring the combined stimulus from tax cuts, increased spending, and repatriations to a total of approximately \$1 trillion.

Source: whitehouse.gov, Cornerstone Macro, Strategas

MARKET COMMENTARY

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YIELD CURVE: AN INVERSION IS NOT AN OMEN

An *inverted yield curve* happens when short-term interest rates exceed longer-term interest rates. Many market watchers suggest that an inverted yield curve signals a coming recession. Although inverted yield curves have preceded every recession over the past six decades, they don't cause recessions or market selloffs. In fact, positive stock market returns can persist for some time after an inversion occurs. Here, we show the last five inversions and subsequent stock market returns.

	S&P 500 INDEX TOTAL RETURN				INFLATION
Inversion Date	3 Months Later	6 Months Later	12 Months Later	18 Months Later	Consumer Price Index (CPI)
9.30.78	-6.3%	-0.9%	6.6%	-0.4%	8%
9.30.80	8.2%	8.4%	-7.4%	-10.8%	13%
1.31.89	4.1%	16.3%	10.6%	19.7%	4%
2.28.00	5.4%	12.6%	-8.0%	-15.9%	3%
2.28.06	-0.8%	1.8%	9.9%	15.1%	4%

OBSERVATIONS

- Looking at data from the past five yield curve inversions tells us that stock market returns as measured by the S&P 500 Index were mostly positive three to six months later.
- In the intermediate term—12 to 18 months later—and especially in normal inflation environments, stocks can continue to perform well.

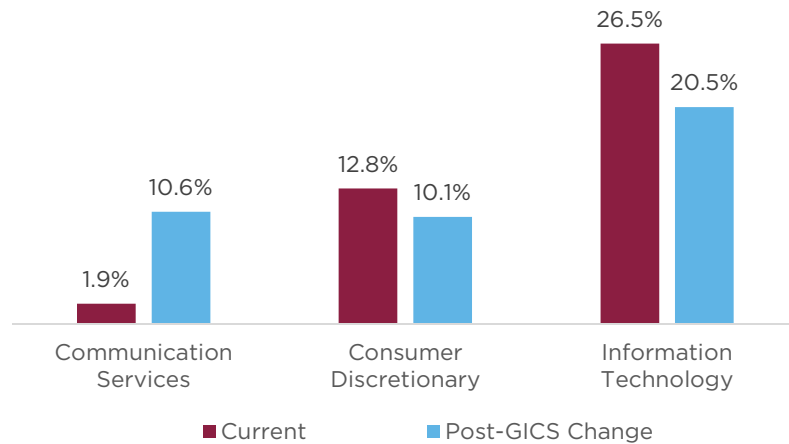
Source: Strategas, Federal Reserve

MARKET COMMENTARY

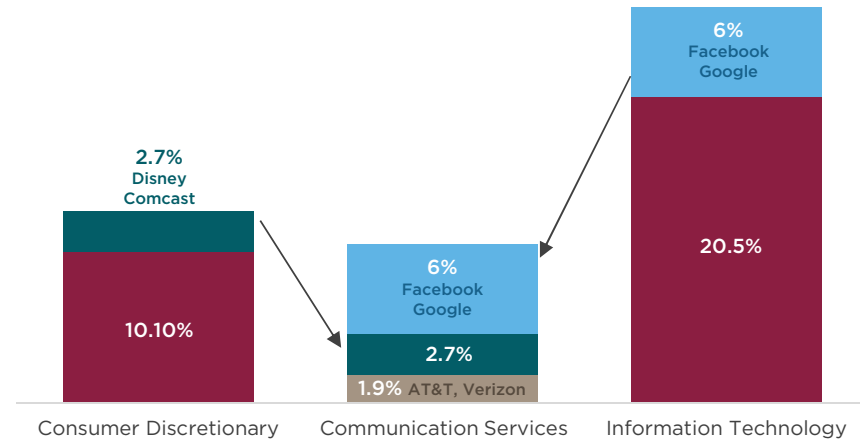
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MSCI GICS SECTORS CHANGES

On September 28, the widely used MSCI Global Industry Classification Standard (GICS) system made several significant changes to its sector composition, causing impacts to prominent stock market indexes and funds that track them. The telecommunications services sector was renamed the communication services sector. This sector will include some companies previously assigned to the consumer discretionary and information technology sectors.

S&P 500 Sector Weights
Before and After GICS Change

Key Changes of GICS Sector Composition



OBSERVATIONS

- The September GICS changes increase the weight of the communication services sector within the S&P 500 and reduce the weight of the technology and consumer discretionary sectors.
- The expanded communication services sector will include more growth-oriented companies, including several of the so-called FANG stocks, in addition to more value-leaning companies previously included.

Source: Strategas, S&P Dow Jones

ASSET CLASS RETURNS

Period Ending 9.30.18 | Q3 18

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	YTD 2018
International Equities 14.02%	International Equities 26.86%	Large-Cap Growth 11.81%	Fixed Income 5.08%	Mid-Cap Growth 46.29%	Small-Cap Growth 29.09%	Fixed Income 7.84%	Mid-Cap Value 18.51%	Small-Cap Growth 43.30%	Mid-Cap Value 14.75%	Large-Cap Growth 5.67%	Small-Cap Value 31.74%	Large-Cap Growth 30.21%	Large-Cap Growth 17.09%
Mid-Cap Value 12.65%	Small-Cap Value 23.48%	International Equities 11.63%	Cash 1.51%	Large-Cap Growth 37.21%	Mid-Cap Growth 26.38%	Large-Cap Growth 2.64%	Small-Cap Value 18.05%	Mid-Cap Growth 35.74%	Large-Cap Value 13.45%	Fixed Income 0.55%	Mid-Cap Value 20.00%	International Equities 25.62%	Small-Cap Growth 15.76%
Mid-Cap Growth 12.10%	Large-Cap Value 22.25%	Mid-Cap Growth 11.43%	Small-Cap Value -28.92%	Small-Cap Growth 34.47%	Mid-Cap Value 24.75%	Large-Cap Value 0.39%	International Equities 17.90%	Small-Cap Value 34.52%	Large-Cap Growth 13.05%	Cash 0.05%	Large-Cap Value 17.34%	Mid-Cap Growth 25.27%	Mid-Cap Growth 13.38%
Large-Cap Value 7.05%	Mid-Cap Value 20.22%	Fixed Income 7.39%	Large-Cap Value -36.85%	Mid-Cap Value 34.21%	Small-Cap Value 24.50%	Cash 0.10%	Large-Cap Value 17.51%	Large-Cap Growth 33.48%	Mid-Cap Growth 11.90%	Mid-Cap Growth -0.20%	Small-Cap Growth 11.32%	Small-Cap Growth 22.17%	Small-Cap Value 7.14%
Large-Cap Growth 5.26%	Small-Cap Growth 13.35%	Small-Cap Growth 7.05%	Mid-Cap Value -38.44%	International Equities 32.46%	Large-Cap Growth 16.71%	Mid-Cap Value -1.38%	Mid-Cap Growth 15.81%	Mid-Cap Value 33.46%	Fixed Income 5.97%	International Equities -0.39%	Mid-Cap Growth 7.33%	Large-Cap Value 13.66%	Large-Cap Value 3.92%
Small-Cap Value 4.71%	Mid-Cap Growth 10.66%	Cash 4.71%	Large-Cap Growth -38.44%	Small-Cap Value 20.58%	Large-Cap Value 15.51%	Mid-Cap Growth -1.65%	Large-Cap Growth 15.26%	Large-Cap Value 32.53%	Small-Cap Growth 5.60%	Small-Cap Growth -1.38%	Large-Cap Growth 7.08%	Mid-Cap Value 13.34%	Mid-Cap Value 3.13%
Small-Cap Growth 4.15%	Large-Cap Growth 9.07%	Large-Cap Value -0.17%	Small-Cap Growth -38.54%	Large-Cap Value 19.69%	International Equities 8.21%	Small-Cap Growth -2.91%	Small-Cap Growth 14.59%	International Equities 23.29%	Small-Cap Value 4.22%	Large-Cap Value -3.83%	Fixed Income 2.65%	Small-Cap Value 7.84%	Cash 1.30%
Cash 3.35%	Cash 5.08%	Mid-Cap Value -1.42%	International Equities -43.06%	Fixed Income 5.24%	Fixed Income 5.89%	Small-Cap Value -5.50%	Fixed Income 4.22%	Cash 0.07%	Cash 0.03%	Mid-Cap Value -4.78%	International Equities 1.51%	Fixed Income 3.54%	International Equities -0.98%
Fixed Income 1.58%	Fixed Income 4.08%	Small-Cap Value -9.78%	Mid-Cap Growth -44.32%	Cash 0.21%	Cash 0.13%	International Equities -11.73%	Cash 0.11%	Fixed Income -2.02%	International Equities -4.48%	Small-Cap Value -7.47%	Cash 0.33%	Cash 0.86%	Fixed Income -1.60%

Source: Markov Processes, Inc., Bloomberg, Mobius

Small-Cap Value Stocks (Russell 2000 Value)	Large-Cap Value Stocks (Russell 1000 Value)	International Equities (MSCI EAFE)
Small-Cap Growth Stocks (Russell 2000 Growth)	Mid-Cap Growth Stocks (Russell Mid-Cap Growth Index)	Fixed Income (Bloomberg Barclays U.S. Aggregate Bond Index)
Large-Cap Growth Stocks (Russell 1000 Growth)	Mid-Cap Value Stocks (Russell Mid-Cap Value Index)	Cash (Merrill Lynch 3-Month Treasury Bill)

The information contained in this report is from sources believed to be reliable but not warranted by CAPTRUST Financial Advisors to be accurate or complete.

INDEX PERFORMANCE

Period Ending 9.30.18 | Q3 18

INDEXES	Q3 2018	YTD 2018	2017	2016	2015	2014	2013	1 YEAR	3 YEAR	5 YEAR	10 YEAR
90-Day U.S. Treasury	0.49%	1.30%	0.86%	0.33%	0.05%	0.03%	0.07%	1.59%	0.84%	0.52%	0.34%
Bloomberg Barclays Government 1-3 Year	0.20%	0.26%	0.45%	0.87%	0.57%	0.64%	0.37%	-0.01%	0.38%	0.57%	1.20%
Bloomberg Barclays Intermediate Govt	-0.11%	-0.78%	1.14%	1.05%	1.18%	2.52%	-1.25%	-1.18%	0.19%	0.93%	2.22%
Bloomberg Barclays Muni Bond	-0.15%	-0.40%	5.45%	0.25%	3.30%	9.05%	-2.55%	0.35%	2.24%	3.54%	4.75%
Bloomberg Barclays Intermediate Govt/Credit	0.21%	-0.76%	2.14%	2.08%	1.07%	3.13%	-0.86%	-0.96%	0.91%	1.52%	3.22%
Bloomberg Barclays Intermediate Credit	0.73%	-0.73%	3.67%	3.68%	0.90%	4.16%	-0.17%	-0.62%	2.03%	2.46%	5.05%
Bloomberg Barclays Aggregate Bond	0.02%	-1.60%	3.54%	2.65%	0.55%	5.97%	-2.02%	-1.22%	1.31%	2.16%	3.77%
Bloomberg Barclays Corporate IG Bond	0.97%	-2.33%	6.42%	6.11%	-0.68%	7.46%	-1.53%	-1.19%	3.12%	3.54%	6.35%
Bloomberg Barclays High Yield	2.40%	2.57%	7.50%	17.13%	-4.47%	2.45%	7.44%	3.05%	8.15%	5.54%	9.46%
Bloomberg Barclays U.S. Long Corporate	1.32%	-5.54%	12.09%	10.97%	-4.61%	15.73%	-5.68%	-2.38%	5.18%	5.74%	8.69%
S&P 500	7.71%	10.56%	21.83%	11.96%	1.38%	13.69%	32.39%	17.91%	17.31%	13.95%	11.97%
Dow Jones Industrial Average	9.63%	8.83%	28.11%	16.50%	0.21%	10.04%	29.65%	20.76%	20.49%	14.57%	12.22%
NASDAQ Composite	7.14%	16.56%	28.24%	7.50%	5.73%	13.40%	38.32%	23.87%	20.31%	16.36%	14.42%
Russell 1000 Value	5.70%	3.92%	13.66%	17.34%	-3.83%	13.45%	32.53%	9.45%	13.55%	10.72%	9.79%
Russell 1000	7.42%	10.49%	21.69%	12.05%	0.92%	13.24%	33.11%	17.76%	17.07%	13.67%	12.09%
Russell 1000 Growth	9.17%	17.09%	30.21%	7.08%	5.67%	13.05%	33.48%	26.30%	20.55%	16.58%	14.31%
Russell Mid-Cap Value Index	3.30%	3.13%	13.34%	20.00%	-4.78%	14.75%	33.46%	8.81%	13.09%	10.72%	11.29%
Russell Mid-Cap Index	5.00%	7.46%	18.52%	13.80%	-2.44%	13.22%	34.76%	13.98%	14.52%	11.65%	12.31%
Russell Mid-Cap Growth Index	7.57%	13.38%	25.27%	7.33%	-0.20%	11.90%	35.74%	21.10%	16.65%	13.00%	13.46%
MSCI EAFE	1.42%	-0.98%	25.62%	1.51%	-0.39%	-4.48%	23.29%	3.25%	9.77%	4.90%	5.87%
MSCI ACWI ex U.S.	0.80%	-2.67%	27.77%	5.01%	-5.25%	-3.44%	15.78%	2.25%	10.49%	4.60%	5.67%
Russell 2000 Value	1.60%	7.14%	7.84%	31.74%	-7.47%	4.22%	34.52%	9.33%	16.12%	9.91%	9.52%
Russell 2000	3.58%	11.51%	14.65%	21.31%	-4.41%	4.89%	38.82%	15.24%	17.12%	11.07%	11.11%
Russell 2000 Growth	5.52%	15.76%	22.17%	11.32%	-1.38%	5.60%	43.30%	21.06%	17.98%	12.14%	12.65%
MSCI Emerging Markets	-0.95%	-7.39%	37.75%	11.60%	-14.60%	-1.82%	-2.27%	-0.44%	12.77%	3.99%	5.76%
Dow Jones U.S. Real Estate Index	0.65%	2.07%	9.84%	7.56%	2.14%	27.24%	1.77%	4.69%	8.94%	9.39%	7.46%
HFRX Absolute Return Index	-0.04%	1.00%	3.39%	0.31%	2.86%	0.79%	3.58%	2.59%	2.88%	2.94%	3.05%
Consumer Price Index (Inflation)	0.06%	2.22%	2.11%	2.07%	0.73%	0.76%	1.50%	2.70%	1.95%	1.49%	1.43%
BLENDED BENCHMARKS	Q3 2018	YTD 2018	2017	2016	2015	2014	2013	1 YEAR	3 YEAR	5 YEAR	10 YEAR
25% S&P 500/5% MSCI EAFE/70% BB Agg	1.98%	1.44%	8.93%	5.00%	0.92%	7.37%	7.01%	3.60%	5.64%	5.26%	6.14%
30% S&P 500/10% MSCI EAFE/60% BB Agg	2.44%	2.08%	10.90%	5.43%	0.95%	7.21%	9.92%	4.77%	6.87%	6.00%	6.70%
35% S&P 500/15% MSCI EAFE/50% BB Agg	2.89%	2.72%	12.90%	5.85%	0.97%	7.04%	12.89%	5.95%	8.11%	6.73%	7.24%
40% S&P 500/20% MSCI EAFE/40% BB Agg	3.35%	3.36%	14.93%	6.26%	0.96%	6.87%	15.93%	7.13%	9.34%	7.46%	7.76%
45% S&P 500/25% MSCI EAFE/30% BB Agg	3.81%	3.99%	16.99%	6.65%	0.93%	6.69%	19.04%	8.31%	10.58%	8.18%	8.25%
60% S&P 500/40% Bloomberg Barclays Agg	4.59%	5.74%	14.25%	8.41%	1.40%	10.75%	17.57%	10.08%	10.85%	9.32%	9.17%

The opinions expressed in this report are subject to change without notice. This material has been prepared or is distributed solely for informational purposes and is not a solicitation or an offer to buy any security or to participate in any investment strategy. The performance data quoted represents past performance and does not guarantee future results. Index averages are provided for comparison purposes only. The information and statistics in this report are from sources believed to be reliable but are not guaranteed to be accurate or complete. CAPTRUST Financial Advisors is an investment adviser registered under the Investment Advisers Act of 1940. Sources: Morningstar Direct, MPI

SECTION 3: EXECUTIVE SUMMARY

Period Ending 9.30.18 | [Q3 18](#)

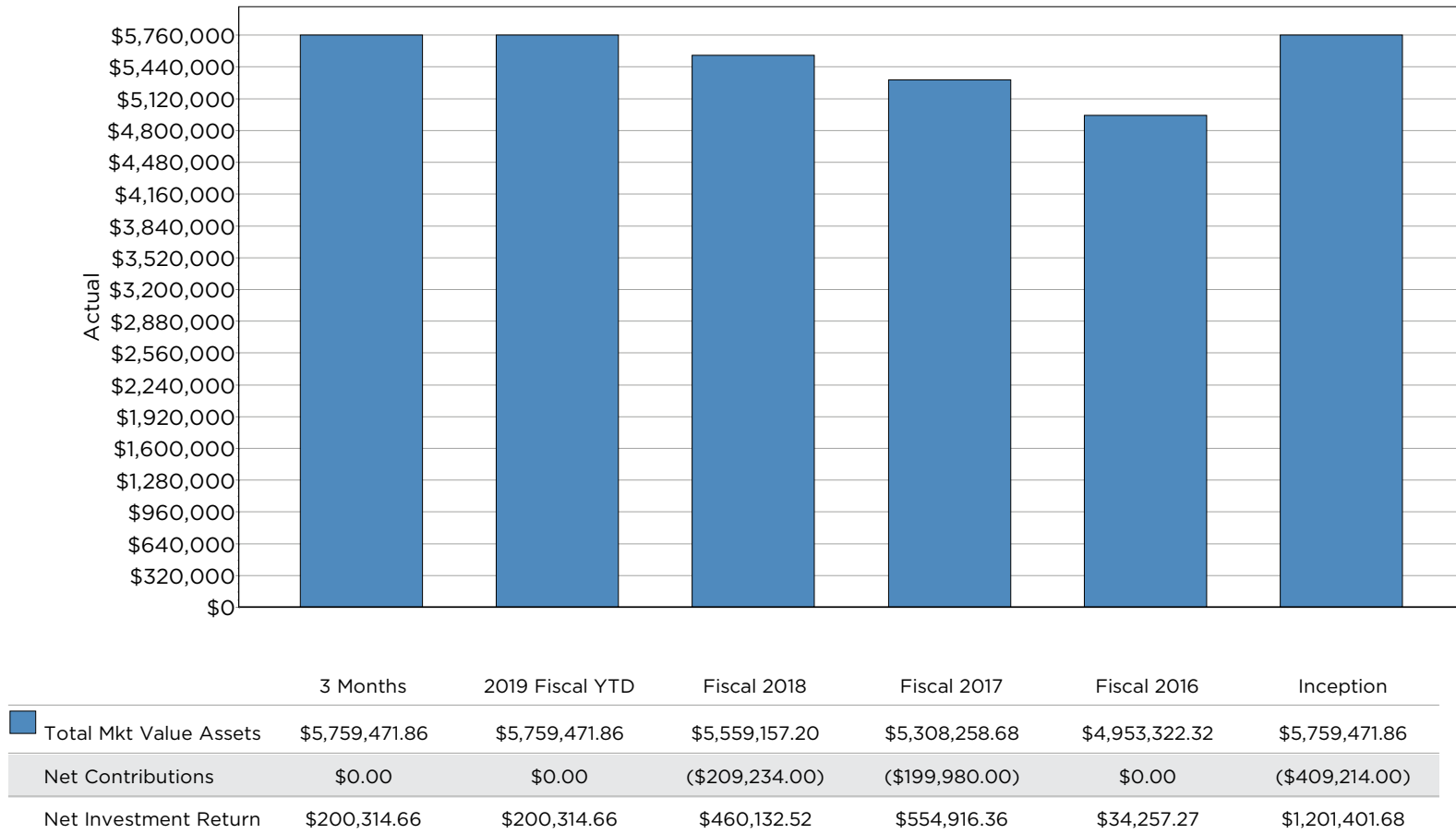
Florida Board Of Governors Foundation

MARKET VALUES & CASH FLOW SUMMARY

Period Ending 9.30.18 | Q3 18

Florida Board of Governors Foundation

MARKET VALUES & CASH FLOW SUMMARY

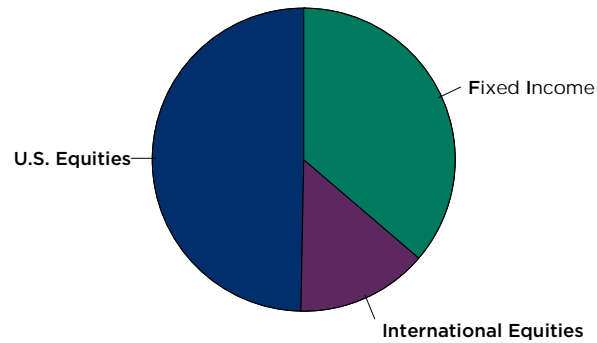


ASSET ALLOCATION SUMMARY

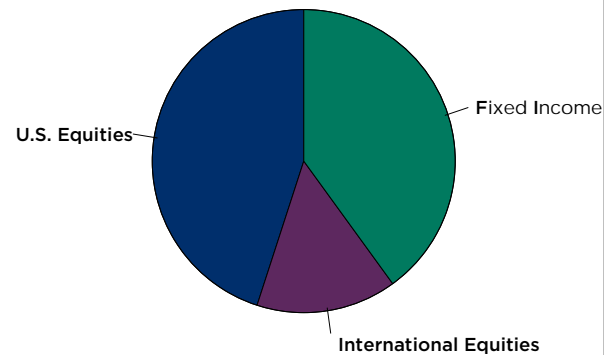
Period Ending 9.30.18 | Q3 18

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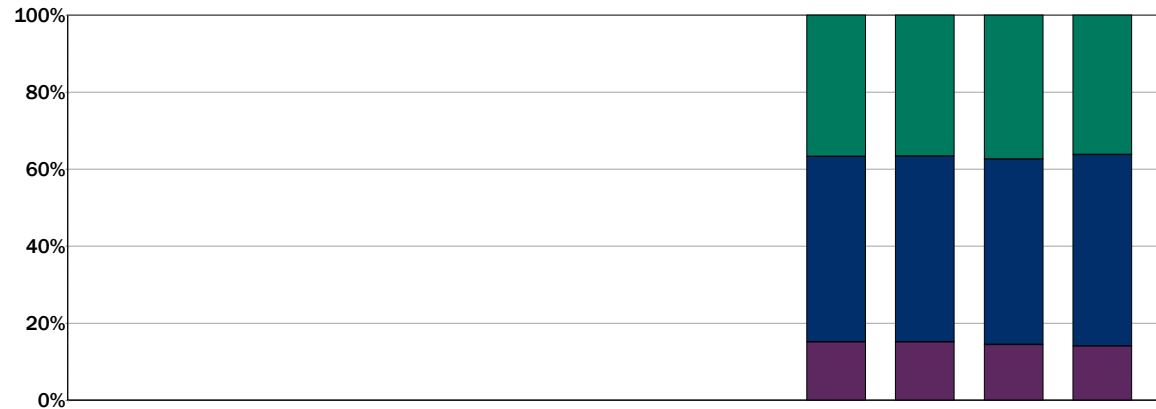
ACTUAL ALLOCATION



TARGET ALLOCATION



HISTORIC ALLOCATION TREND



	12 15	03 16	06 16	09 16	12 16	03 17	06 17	09 17	12 17	03 18	06 18	09 18
Fixed Income	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	36.75%	36.59%	37.39%	36.26%
U.S. Equities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	48.15%	48.30%	48.14%	49.70%
International Equities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	15.10%	15.12%	14.47%	14.04%

ASSET REBALANCING ANALYSIS

Asset Class	Actual Allocation	Target Allocation	(+/-) Variance
Fixed Income	36.26%	40.00%	-3.74%
U.S. Equities	49.70%	45.00%	4.70%
International Equities	14.04%	15.00%	-0.96%

ASSET ALLOCATION DETAIL

Period Ending 9.30.18 | Q3 18

Florida Board of Governors Foundation

MANAGER NAME	- MARKET VALUE -			TOTAL	TARGET	ACTUAL	VARIANCE
	CASH	INVESTED	% CASH				
Sawgrass Asset Management Intermediate Fixed Income	17,388.58	2,071,099.57	0.83 %	2,088,488.15		36.26 %	
TOTAL FIXED INCOME	17,388.58	2,071,099.57	0.83 %	2,088,488.15	40.00 %	36.26 %	-3.74 %
Vanguard 500 Index Adm	0.00	1,879,918.98	0.00 %	1,879,918.98		32.64 %	
Great Lakes Small/Mid Cap Equity	9,340.56	973,243.02	0.95 %	982,583.58		17.06 %	
TOTAL U.S. EQUITIES	9,340.56	2,853,162.00	0.33 %	2,862,502.56	45.00 %	49.70 %	4.70 %
Vanguard Total Intl Stock Index Adm	0.00	808,481.15	0.00 %	808,481.15		14.04 %	
TOTAL INTERNATIONAL EQUITIES	0.00	808,481.15	0.00 %	808,481.15	15.00 %	14.04 %	-0.96 %
TOTAL PORTFOLIO	26,729.14	5,732,742.72	0.46 %	5,759,471.86	100.00 %	100.00 %	0.00 %

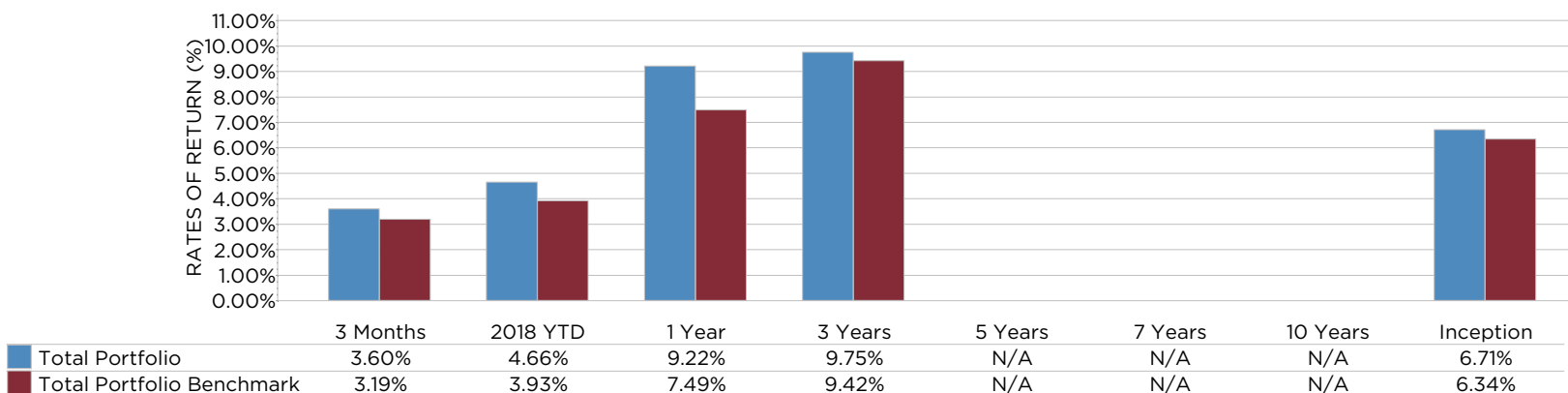
Information and statistics have been provided by the custodian and are not guaranteed to be accurate or complete. This is not a substitute for the official custodial account statement; please refer to the custodial statement for verification.

INVESTMENT RETURNS | TOTAL PORTFOLIO

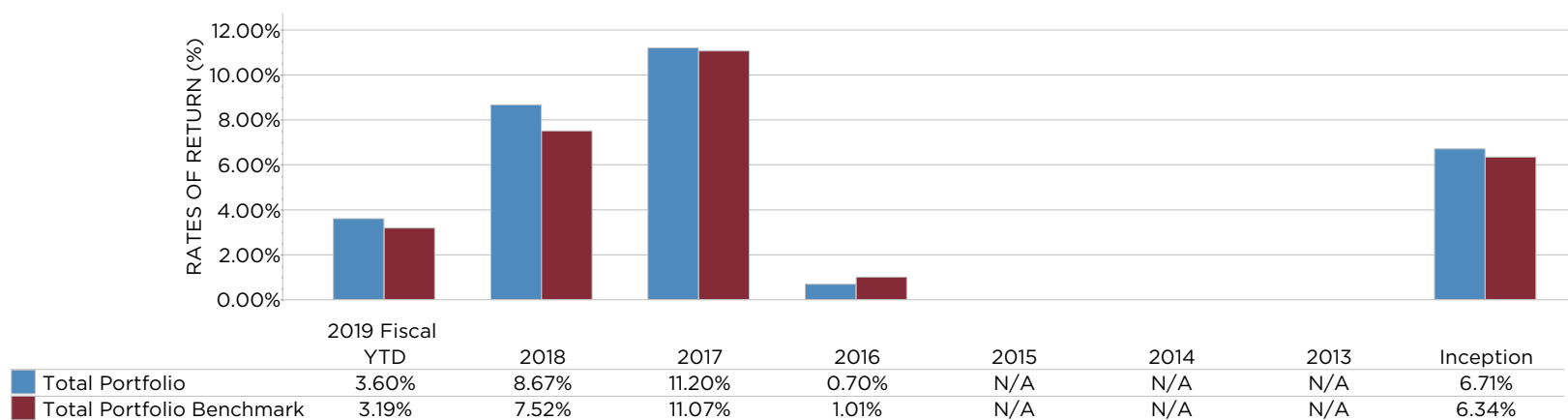
Period Ending 9.30.18 | Q3 18

Florida Board of Governors Foundation

TOTAL PORTFOLIO TRAILING PERFORMANCE



TOTAL PORTFOLIO FISCAL YEAR PERFORMANCE



Fiscal Year Ending June

Performance returns over one-year are annualized. For important details regarding benchmarks, please refer the slides entitled "Total Fund Policy Benchmark Summary" in this presentation.

INVESTMENT RETURNS | FISCAL YEAR MANAGER RESULTS

Period Ending 9.30.18 | Q3 18

Florida Board of Governors Foundation

FIXED INCOME RETURNS	3 MOS	YTD' 19	2018	2017	2016	2015	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
TOTAL FIXED INCOME	0.47%	0.47%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-0.47%	12/31/2017
FIXED INCOME MANAGER RESULTS:											
Sawgrass Asset Management Intermediate Fixed Income	0.47%	0.47%	0.00%	0.65%	4.13%	N/A	-0.26%	1.50%	N/A	1.28%	04/30/2015
BBgBarc Int Gov't/Credit	0.21%	0.21%	-0.58%	-0.21%	4.33%	1.68%	-0.96%	0.91%	1.52%	0.90%	
Short Investment Grade Universe	0.39%	0.39%	0.51%	0.58%	1.47%	0.69%	0.51%	0.92%	1.03%	0.86%	

U.S. EQUITIES RETURNS	3 MOS	YTD' 19	2018	2017	2016	2015	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
TOTAL U.S. EQUITIES	6.96%	6.96%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	11.12%	12/31/2017
U.S. EQUITIES MANAGER RESULTS:											
Vanguard 500 Index Adm	7.70%	7.70%	14.34%	17.93%	3.95%	N/A	17.86%	17.29%	N/A	12.13%	04/30/2015
S&P 500 Index	7.71%	7.71%	14.37%	17.90%	3.99%	7.42%	17.91%	17.31%	13.95%	12.60%	
Morningstar Large Blend Universe	6.99%	6.99%	13.08%	17.62%	0.80%	6.55%	15.61%	15.41%	12.27%	10.83%	
Great Lakes Small/Mid Cap Equity	5.57%	5.57%	20.35%	19.30%	-5.41%	N/A	22.66%	16.15%	N/A	11.34%	04/30/2015
Russell 2500	4.70%	4.70%	16.24%	19.84%	-3.67%	5.92%	16.19%	16.13%	11.37%	10.93%	
Morningstar Small Cap Blend Universe	3.15%	3.15%	14.85%	21.19%	-5.23%	5.44%	12.52%	14.80%	9.94%	9.91%	

INTERNATIONAL EQUITIES RETURNS	3 MOS	YTD' 19	2018	2017	2016	2015	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
TOTAL INTERNATIONAL EQUITIES	0.53%	0.53%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-3.12%	12/31/2017
INTERNATIONAL EQUITIES MANAGER RESULTS:											
Vanguard Total Intl Stock Index Adm	0.53%	0.53%	7.09%	20.05%	-9.11%	N/A	1.61%	9.94%	N/A	3.21%	04/30/2015
MSCI AC Wrld X US Net	0.71%	0.71%	7.28%	20.44%	-10.24%	-5.27%	1.76%	9.97%	4.12%	3.31%	
Morningstar Foreign Large Blend Universe	0.58%	0.58%	6.05%	19.27%	-10.03%	-3.20%	1.09%	8.46%	3.94%	3.06%	

Performance returns over one-year are annualized.

INVESTMENT RETURNS | FISCAL YEAR MANAGER RESULTS

Period Ending 9.30.18 | Q3 18

Florida Board of Governors Foundation

TOTAL FUND RETURNS	3 MOS	YTD' 19	2018	2017	2016	2015	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
TOTAL FUND	3.60%	3.60%	8.67%	11.20%	0.70%	N/A	9.22%	9.75%	N/A	6.71%	04/30/2015
Total Portfolio Benchmark	3.19%	3.19%	7.52%	11.07%	1.01%	N/A	7.49%	9.42%	N/A	6.34%	

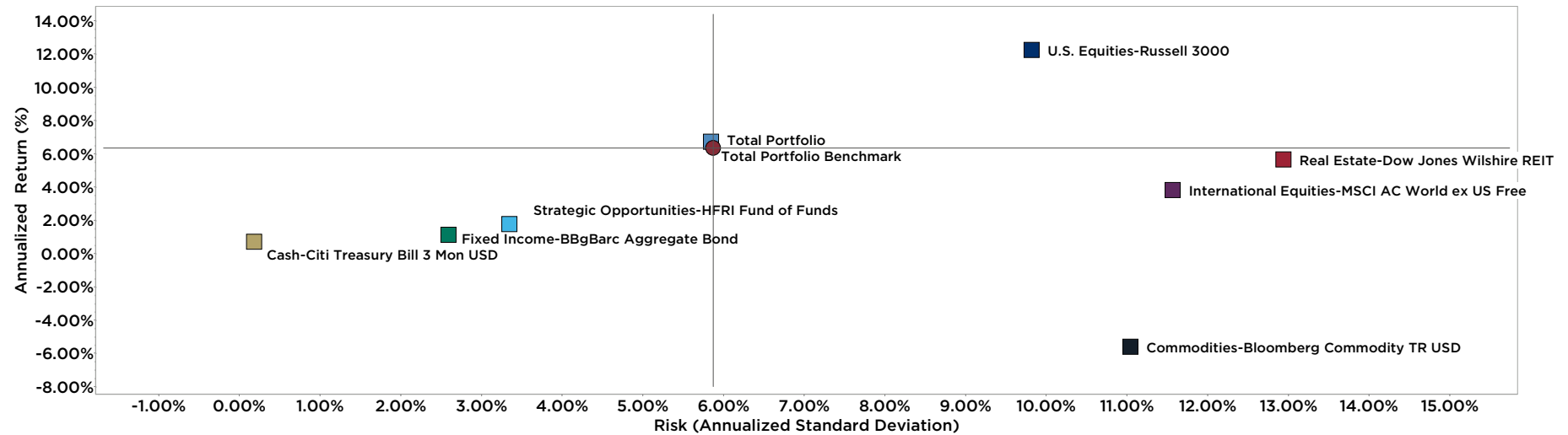
Performance returns over one-year are annualized.

PORTFOLIO STATISTICAL SUMMARY

Period Ending 9.30.18 | Q3 18

Florida Board of Governors Foundation

COMPOSITE RISK VS. TOTAL RETURN (since inception: 04.30.15)



	3 YEAR			INCEPTION		
	Fund	Policy	Difference	Fund	Policy	Difference
Negative Periods	7.00	8.00	-1.00	10.00	11.00	-1.00
Positive Periods	29.00	28.00	1.00	31.00	30.00	1.00
Batting Average	58.33	41.67	16.67	60.98	39.02	21.95
Worst Quarter	-0.55	-0.76	0.21	-4.63	-4.98	0.35
Best Quarter	4.36	3.86	0.50	4.36	3.86	0.50
Range	4.91	4.62	0.29	8.99	8.84	0.15
Worst 4 Quarters	9.04	7.49	1.55	0.70	1.01	-0.31
Standard Deviation	5.40	5.40	0.01	5.84	5.87	-0.03
Beta	0.99	1.00	-0.01	0.99	1.00	-0.01
Alpha	0.36	0.00	0.36	0.41	0.00	0.41
R-Squared	98.52	100.00	-1.48	98.80	100.00	-1.20
Sharpe Ratio	1.66	1.60	0.06	1.03	0.96	0.07
Treynor Ratio	9.01	8.61	0.39	6.07	5.64	0.44
Tracking Error	0.66	0.00	0.66	0.64	0.00	0.64
Information Ratio	0.46	0.00	0.46	0.53	0.00	0.53

MARKET VALUES & CASH FLOW SUMMARY

Period Ending 9.30.18 | Q3 18

Florida Board of Governors Foundation

Period Ending	Beginning Value	Net Flows	Investment Gain/Loss	Ending Value	Rate of Return
Jun 2015		\$5,000,000.00	(\$80,934.95)	\$4,919,065.05	-0.97%
Sep 2015	\$4,919,065.05	\$0.00	(\$227,767.05)	\$4,691,298.00	-4.63%
Dec 2015	\$4,691,298.00	\$0.00	\$128,143.20	\$4,819,441.20	2.73%
Mar 2016	\$4,819,441.20	\$0.00	\$60,687.46	\$4,880,128.66	1.26%
Jun 2016	\$4,880,128.66	\$0.00	\$73,193.66	\$4,953,322.32	1.50%
Sep 2016	\$4,953,322.32	\$0.00	\$161,892.11	\$5,115,214.43	3.27%
Dec 2016	\$5,115,214.43	\$0.00	\$56,400.45	\$5,171,614.88	1.10%
Mar 2017	\$5,171,614.88	\$0.00	\$197,158.00	\$5,368,772.88	3.81%
Jun 2017	\$5,368,772.88	(\$199,980.00)	\$139,465.80	\$5,308,258.68	2.60%
Sep 2017	\$5,308,258.68	\$0.00	\$163,679.62	\$5,471,938.30	3.08%
Dec 2017	\$5,471,938.30	\$0.00	\$238,511.96	\$5,710,450.26	4.36%
Mar 2018	\$5,710,450.26	\$0.00	(\$31,384.89)	\$5,679,065.37	-0.55%
Jun 2018	\$5,679,065.37	(\$209,234.00)	\$89,325.83	\$5,559,157.20	1.57%
Sep 2018	\$5,559,157.20	\$0.00	\$200,314.66	\$5,759,471.86	3.60%

TOTAL FUND POLICY BENCHMARK SUMMARY

Period Ending 9.30.18 | Q3 18

Florida Board of Governors Foundation

DATE	BENCHMARKS	INDEX WEIGHTS
04/30/2015 To Present	Russell 2500	15.00
	MSCI AC Wrld X US Fr Net	15.00
	S&P 500 Index	30.00
	BBgBarc Intermediate Gov't/Credit	40.00

SECTION 4: DUE DILIGENCE

Period Ending 9.30.18 | **Q3 18**



Florida Board Of Governors Foundation

INVESTMENT REVIEW | INVESTMENT POLICY MONITOR

Period Ending 9.30.18 | Q3 18

Florida Board Of Governors Foundation

PASSIVE INVESTMENTS

INVESTMENT	Overall	Commentary
Vanguard 500 Index Admiral		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Vanguard Total Intl Stock Index Adm		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.

CONTINUED...

The CAPTRUST Investment Policy Monitor ("Scorecard") is an illustration of our monitoring system and is designed to assist our clients in their efforts to provide fiduciary oversight to investment assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields. Quantitative scoring areas for target date funds include Risk Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; and Glidepath. Qualitative Scoring Areas for target date funds measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. Qualitative Scoring for Target Date funds also includes a score for Portfolio Construction and Underlying Investment vehicles to express CAPTRUST's views on the manager or strategy. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have an Investment Management assessment of '25' as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Some Investments that have less than 3 years of performance history may not be scored.

Capital Preservation options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics, depending on the type of capital preservation option being evaluated, and may include quantitative criteria such as: Crediting Rate/Yield, Market to Book Ratio, Average Crediting Quality, Insurer Quality/Diversification, Duration, and Sector Allocations, and/or qualitative criteria such as quality and experience of the Management Team and stewardship of the investment option's parent company.

Passively Managed options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics and may include quantitative criteria such as: Tracking Error, Fees, and Performance versus relevant peer group, and/or qualitative criteria such as index replication strategy, securities lending practices, and fair value pricing methodology.

Distinct investment options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics.

This material is for institutional investor use only and is not intended to be shared with individual investors.

INVESTMENT REVIEW | SELECT COMMENTARY

Period Ending 9.30.18 | [Q3 18](#)

Florida Board Of Governors Foundation

FUND FIRM ITEMS	COMMENTARY
Great Lakes Advisors	Allison Brink, managing director-marketing and client service, Aden Oduwa, operations and systems analyst, and client portfolio manager Ronee Greazel have joined the firm.
Vanguard Group, Inc.	Joseph Brennan has been appointed to a newly created position of global chief risk officer, reporting to CEO Tim Buckley. He will be succeeded by Rodney Comegys as head of Vanguard's Equity Index Group.

SUMMARY AND RECOMMENDATIONS

Period Ending 9.30.18 | **Q3 18**

Florida Board Of Governors Foundation

REVIEW OF RECENT ACTIONS:

CURRENT RECOMMENDATIONS:

CAPTRUST does not recommend any tactical asset allocation shifts at this time, but will review updated market values to determine if any rebalancing is recommended as of the November 8th meeting date.

SECTION 5: MANAGER FACT SHEETS

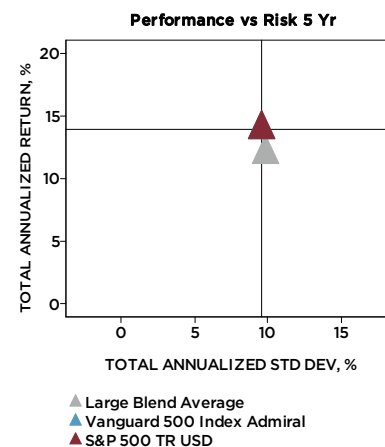
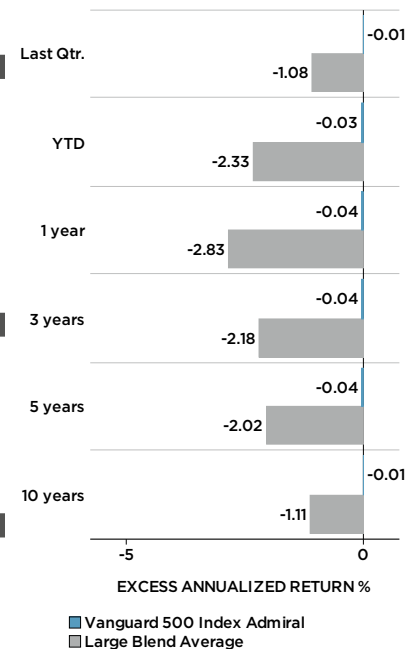
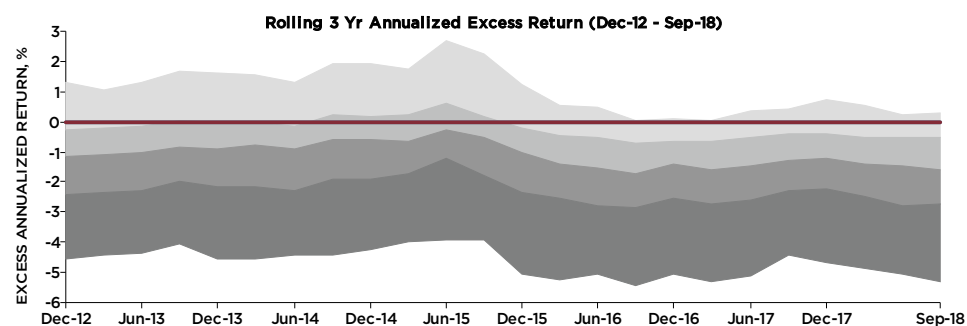
Period Ending 9.30.18 | **Q3 18**

Florida Board Of Governors Foundation

VANGUARD 500 INDEX ADMIRAL

Period Ending 9.30.18 | Q3 18

	Vanguard 500 Index Admiral	Peer Group Rank	S&P 500 TR USD	Large Blend	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	9.55	32%	9.55	9.88	1162
Sharpe Ratio	1.40	5%	1.41	1.16	1162
Alpha	-0.04	8%	0.00	-1.89	1162
Beta	1.00	50%	1.00	0.99	1162
R-Squared	100.00	1%	100.00	92.01	1162
Up Mkt Capture	99.84	14%	100.00	92.65	1162
Down Mkt Capture	100.08	22%	100.00	105.48	1162
Information Ratio	-3.01	92%	NA	-1.40	1162
TRAILING RETURNS					
Last Qtr.	7.70	21%	7.71	6.63	1338
YTD	10.53	18%	10.56	8.24	1326
1 Year	17.87	17%	17.91	15.08	1312
3 Years	17.27	9%	17.31	15.13	1232
5 Years	13.91	8%	13.95	11.92	1162
10 Years	11.95	17%	11.97	10.85	1031
CALENDAR RETURNS					
2017	21.79	30%	21.83	20.39	1338
2016	11.93	27%	11.96	10.43	1411
2015	1.36	21%	1.38	-0.74	1467
2014	13.64	18%	13.69	11.32	1503
2013	32.33	44%	32.39	31.96	1508

**INVESTMENT PROFILE**

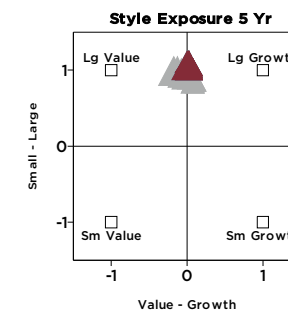
Ticker	VFIAX
CUSIP	922908710
Net Assets \$MM	\$459,295.00
Manager Names	Team Managed
Manager Tenure	2.4 Years
Prospectus Exp Ratio	0.04%
Cat Median Exp Ratio	1.10%
Current 12b-1	N/A
Annld Ret Since Incept	6.45%
Inception Date	11/13/2000
Phone Number	800-662-7447
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	516
% Assets in Top 10 Holdings	21.99%
Avg Mkt Cap \$MM	\$109,481.00
Turnover Ratio	3.00%

TOP HOLDINGS

Apple Inc	4.53%
Microsoft Corp	3.50%
Amazon.com Inc	3.28%
Facebook Inc A	1.71%
JPMorgan Chase & Co	1.58%

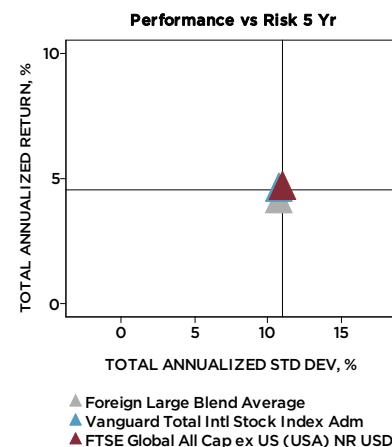
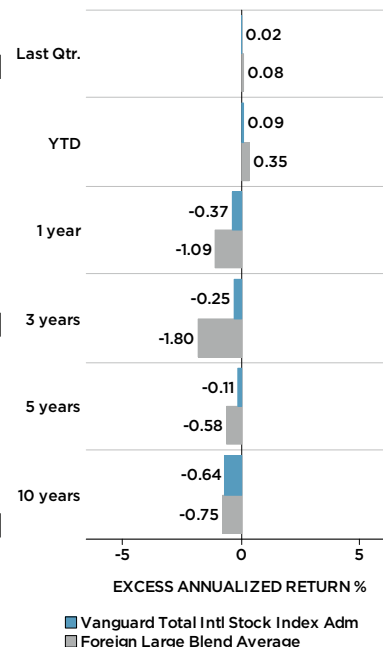
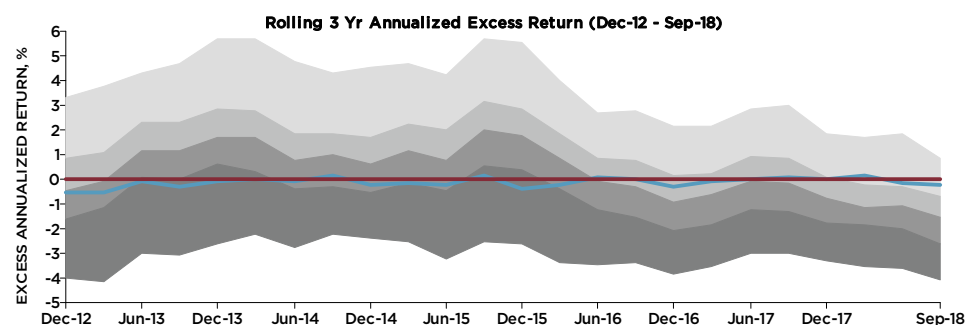


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VANGUARD TOTAL INTL STOCK INDEX ADM

Period Ending 9.30.18 | Q3 18

	Vanguard Total Intl Stock Index Adm	Peer Group Rank	FTSE Global All Cap ex US (USA) NR USD	Foreign Large Blend	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	10.79	64%	11.03	10.79	640
Sharpe Ratio	0.37	36%	0.37	0.33	640
Alpha	0.02	41%	0.00	-0.26	640
Beta	0.97	23%	1.00	0.92	640
R-Squared	97.93	1%	100.00	88.49	640
Up Mkt Capture	96.98	18%	100.00	91.03	640
Down Mkt Capture	97.26	66%	100.00	93.43	640
Information Ratio	-0.07	36%	NA	-0.16	640
TRAILING RETURNS					
Last Qtr.	0.53	52%	0.51	0.59	777
YTD	-3.12	58%	-3.20	-2.85	762
1 Year	1.61	42%	1.99	0.89	760
3 Years	9.95	17%	10.20	8.40	705
5 Years	4.47	34%	4.58	4.00	640
10 Years	5.17	43%	5.81	5.06	528
CALENDAR RETURNS					
2017	27.55	24%	27.41	25.30	771
2016	4.67	12%	4.72	0.97	791
2015	-4.26	81%	-4.29	-1.49	770
2014	-4.17	30%	-3.39	-5.02	781
2013	15.14	83%	15.59	19.61	803

**INVESTMENT PROFILE**

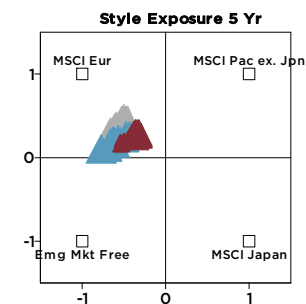
Ticker	VTIAX
CUSIP	921909818
Net Assets \$MM	\$359,568.00
Manager Names	Team Managed
Manager Tenure	10.2 Years
Prospectus Exp Ratio	0.11%
Cat Median Exp Ratio	1.15%
Current 12b-1	N/A
Annld Ret Since Incept	5.12%
Inception Date	11/29/2010
Phone Number	800-662-7447
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	6283
% Assets in Top 10 Holdings	7.81%
Avg Mkt Cap \$MM	\$22,935.11
Turnover Ratio	11.57%

TOP HOLDINGS

Nestle SA	1.03%
Tencent Holdings Ltd	0.99%
Samsung Electronics Co Lt	0.83%
Taiwan Semiconductor Mar	0.80%
Alibaba Group Holding Ltd	0.76%



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APPENDIX

Period Ending 9.30.18 | [Q3 18](#)

Florida Board Of Governors Foundation

GLOSSARY

Period Ending 9.30.18 | Q3 18

ALPHA

Alpha measures a manager's rate of return in excess of that which can be explained by its systematic risk, or Beta. It is a result of regressing a manager's returns against those of a benchmark index. A positive alpha implies that a manager has added value relative to its benchmark on a risk-adjusted basis.

BATTING AVERAGE

Batting Average, an indicator of consistency, measures the percentage of time an active manager outperformed the benchmark.

BETA

Beta measures a manager's sensitivity to systematic, or market risk. Beta is a result of the analysis regressing a manager's returns against those of a benchmark Index. A manager with a Beta of 1 should move perfectly with a benchmark. A Beta of less than 1 implies that a manager's returns are less volatile than the market's (i.e., selected benchmarks). A Beta of greater than 1 implies that a manager exhibits greater volatility than the market (i.e., selected benchmark).

CAPTURE RATIO

Up Market Capture is the average return of a manager relative to a benchmark index using only periods where the benchmark return was positive. Down Market Capture is the average return of a manager relative to a benchmark index using only periods where the benchmark return was negative. An Up Market Capture of greater than 100% and a Down Market Capture of less than 100% is considered desirable.

INFORMATION RATIO

The Information Ratio measures a manager's excess return over the passive index divided by the volatility of that excess return, or Tracking Error. To obtain a higher Information Ratio, which is preferable, a manager must demonstrate the ability to generate returns above its benchmark while avoiding large performance swings relative to that same benchmark.

PERCENTILE RANK

Percentile Rankings are based on a manager's performance relative to all other available funds in its universe. Percentiles range from 1, being the best, to 100 being the worst. A ranking in the 50th percentile or above demonstrates that the manager has performed better on a relative basis than at least 50% of its peers.

RISK-ADJUSTED PERFORMANCE

Risk-adjusted Performance, or RAP, measures the level of return that an investment option would generate given a level of risk equivalent to the benchmark index.

R-SQUARED

R-squared measures the portion of a manager's movements that are explained by movements in a benchmark index. R-squared values range from 0 to 100. An R-squared of 100 means that all movements of a manager are completely explained by movements in the index. This measurement is identified as the coefficient of determination from a regression equation. A high R-squared value supports the validity of the Alpha and Beta measures, and it can be used as a measure of style consistency.

SHARPE RATIO

Sharpe ratio measures a manager's return per unit of risk, or standard deviation. It is the ratio of a manager's excess return above the risk-free rate divided by a manager's standard deviation. A higher sharpe ratio implies greater manager efficiency.

STANDARD DEVIATION

Standard Deviation is a measure of the extent to which observations in a series vary from the arithmetic mean of the series. This measure of volatility or risk allows the estimation of a range of values for a manager's returns. The wider the range, the more uncertainty, and, therefore, the riskier a manager is assumed to be.

TRACKING ERROR

Tracking Error is the standard deviation of the portfolio's residual (i.e. excess) returns. The lower the tracking error, the closer the portfolio returns have been to its risk index. Aggressively managed portfolios would be expected to have higher tracking errors than portfolios with a more conservative investment style.


TREYNOR RATIO

The Treynor Ratio is a measure of reward per unit of risk. With Treynor, the numerator (i.e. reward) is defined as the annualized excess return of the portfolio versus the risk-free rate. The denominator (i.e. risk) is defined as the portfolio beta. The result is a measure of excess return per unit of portfolio systematic risk. As with Sharpe and Sortino, the Treynor Ratio only has value when it is used as the basis of comparison between portfolios. The higher the Treynor Ratio, the better.

INVESTMENT REVIEW | EVALUATION METHODOLOGY

Period Ending 9.30.18 | Q3 18

Florida Board Of Governors Foundation

	QUANTITATIVE EVALUATION ITEMS	QUALITATIVE EVALUATION ITEMS
 MARKED FOR REVIEW The following categories of the Investment Policy Monitor appear “Marked For Review” when:	3/5 Year Risk- adjusted Performance The investment option's 3 or 5 Year Annualized Risk Adjusted Performance falls below the 50th percentile of the peer group.	Fund Management A significant disruption to the investment option's management team has been discovered.
	3/5 Year Performance vs. Peers The investment option's 3 or 5 Year Annualized Peer Relative Performance falls below the 50th percentile of the peer group.	Fund Family A significant disruption to the investment option's parent company has been discovered.
CAPTRUST's Investment Policy Monitoring Methodology The Investment Policy Monitoring Methodology document describes the systems and procedures CAPTRUST uses to monitor and evaluate the investment vehicles in your plan/account on a quarterly basis. Our current Investment Policy Monitoring Methodology document can be accessed through the following link: captrustadvisors.com/investmentmonitoring	3/5 Year Style The investment option's 3 or 5 Year R-Squared measure falls below the absolute threshold set per asset class.	
	3/5 Year Confidence The investment option's 3 or 5 Year Confidence Rating falls below the 50 th percentile of the peer group.	



STATE
UNIVERSITY
SYSTEM
of FLORIDA
Board of Governors

AGENDA
Board of Governors Meeting
Live Oak Pavilion
Student Union
Florida Atlantic University
777 Glades Road
Boca Raton, Florida 33431
November 8, 2018
3:30 p.m. – 4:30 p.m.

or
Upon Adjournment of Previous Meetings

1. **Call to Order and Pledge of Allegiance** **Chair Ned C. Lautenbach**
2. **Chair's Report** **Chair Lautenbach**
3. **Minutes of Board of Governors Meeting** **Chair Lautenbach**
 - Minutes, September 13, 2018
4. **Chancellor's Report** **Chancellor Marshall M. Criser III**
5. **Public Comment** **Chair Lautenbach**
6. **Drugs, Alcohol and Mental Health Committee Report** **Governor Fernando Valverde**
7. **Innovation and Online Committee Report** **Governor Edward Morton**
8. **Facilities Committee Report** **Governor H. Wayne Huizenga, Jr.**
 - 2019-2020 State University System Fixed Capital Outlay Legislative Budget Request
 - University of South Florida, St. Petersburg Housing – Request for Debt Authorization

9. **Academic and Student Affairs Committee Report** **Governor Norman Tripp**
 - Amended Board of Governors Regulation 10.014 Academic Infrastructure and Support Organizations
 - Ph.D. in Aerospace Engineering, CIP 14.0201, University of Central Florida
 - Ph.D. in Strategic Communication, CIP 09.0900, University of Central Florida
 - DMA in Music, CIP 50.0901, University of Florida
 - Ph.D. in Intelligent Systems and Robotics, CIP 11.0102, University of West Florida
 - Limited Access Status for the Bachelor of Science in Biomedical Engineering, CIP 14.0501, University of South Florida
 - Exception to 120 Credit Hours for the Bachelor of Science Biomedical Engineering, CIP 14.0501, Florida Agricultural and Mechanical University-Florida State University College of Engineering

10. **Strategic Planning Committee Report** **Governor Darlene Jordan**
 - Amended Board of Governors Regulation 2.002 University Work Plans and Annual Reports
 - New College of Florida 2018-2028 Strategic Plan
 - Florida Atlantic University 2015-2022 Strategic Plan

11. **Budget and Finance Committee Report** **Governor Syd Kitson**
 - Amended Board of Governors Regulation 7.003 Fees, Fines and Penalties
 - Amended Board of Governors Regulation 9.011 University Direct Support Organizations and Health Services Support Organizations
 - Performance-Based Funding Model
 - 2019-2020 Legislative Budget Request Update
 - University Carryforward

12. **Concluding Remarks and Adjournment** **Chair Lautenbach**

Public comment will only be taken on agenda items before the Board. Public comment forms will be available at the staff table at each meeting and must be submitted prior to the plenary meeting of the Board. A maximum of 15 minutes will be set aside after the Chancellor's Report to accept public comment from individuals, groups, or factions who have submitted a public comment form.)



I pledge allegiance
to the flag
of the **United States** of America
and to the Republic
for which it stands,
one Nation under God,
indivisible,
with liberty and justice for all.

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: Chair's Report

PROPOSED BOARD ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The Chair, Ned Lautenbach, will convene the meeting with opening remarks.

Supporting Documentation Included: None

Facilitators/Presenters: Chair Ned Lautenbach

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: Minutes of Board of Governors Meeting held September 13, 2018

PROPOSED BOARD ACTION

Approval of minutes of the Board of Governors meeting held on September 13, 2018 at the New College of Florida.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Board members will review and approve the minutes of the Board of Governors meeting held on September 13, 2018 at the New College of Florida.

Supporting Documentation Included: Minutes: September 13, 2018

Facilitators/Presenters: Chair Ned Lautenbach

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SEPTEMBER 12-13, 2018

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 STATE UNIVERSITY SYSTEM OF FLORIDA
 BOARD OF GOVERNORS
 MAIN AUDITORIUM
 HARRY SUDAKOFF CONFERENCE CENTER
 NEW COLLEGE OF FLORIDA
 5845 GENERAL DOUGHER PLACE
 SARASOTA, FLORIDA 34243
 SEPTEMBER 12-13, 2018

*Video or audio archives of the meetings of the Board of Governors
 and its Committees are accessible at <http://www.flbog.edu/>.*

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MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
MAIN AUDITORIUM
HARRY SUDAKOFF CONFERENCE CENTER
NEW COLLEGE OF FLORIDA
5845 GENERAL DOUGHER PLACE
SARASOTA, FLORIDA 34243
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1. Recognition of State University System Business Champion

On September 12, 2018, Chair Lautenbach recognized LexisNexis as the State University System Business Champion. Mr. Flavio Villanustre, Vice President of Infrastructure and Products at LexisNexis, accepted the award on behalf of the company. Mr. Villanustre said the key benefit of the company's partnership with New College's Data Science Program is ensuring the production of a highly skilled workforce. Dr. Patrick McDonald, Director of the Data Science Program at New College and Nicole Navarro, a recent graduate of the Data Science Program at New College, presented information about the partnership and the practicum Ms. Navarro completed as part of the program that used medical prescription data to analyze interventions for combatting the opioid crisis. Ms. Navarro is now employed as a software engineer with LexisNexis.

2. Call to Order and Pledge of Allegiance

On September 13, 2018, Chair Ned C. Lautenbach convened the meeting at 2:15 p.m. with the following members present and answering roll call: Vice Chair Syd Kitson; Timothy M. Cerio; Dr. Shawn Felton; H. Wayne Huizenga, Jr.; Darlene Jordan; Alan Levine; Wendy Link; Edward Morton; Jay S. Patel; Fred Salerno; Norman Tripp; Dr. Fernando Valverde; and Jalisa White. Patricia Frost participated by phone.

3. Chair's Report

Chair Lautenbach thanked New College for hosting the meeting and recognized Ms. Felice Schulaner, the Chair of the New College of Florida Board of Trustees. Chair Schulaner welcomed the Board to New College and commented on the four guiding principles on which New College was founded. Those principles still guide New College today and she said they are excited about the progress being made on the growth plan the Board of Governors approved two years ago. She hoped members had the opportunity to interact with their amazing students and faculty. Provost Barbara Feldman also welcomed the Board and played a brief video featuring the partners who comprise the Cross College Alliance.

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Chair Lautenbach welcomed Dr. Shawn Felton to the Board as the new faculty representative. Dr. Felton is the Department Chair of Athletic Training and the Director of the Doctor of Athletic Training Program at Florida International University within the Wertheim College of Nursing and Health Sciences.

He also congratulated President Genshaft on her passionate leadership and effective advocacy at the University of South Florida. President Genshaft recently announced her upcoming retirement and Chair Lautenbach took the opportunity to list some of the major strides made by USF during her tenure as president.

He next thanked Governors Patel and Governor Cerio for their work with Board staff in assessing the capacity needs of the State University System, including the impact of online education and the Florida College System. This work is ongoing and he looks forward to a robust discussion on strategies for addressing capacity needs at the System level.

Chair Lautenbach recognized Chancellor Criser for his continued dedication to the State University System and its students. Chancellor Criser is now approaching his fifth year as chancellor and his passion has not ebbed. He thanked Chancellor Criser for his commitment to the System and for all he does for the Board.

He also expressed optimism about the implementation of the Programs of Excellence initiative. He commended Governor Levine for his leadership as chair of the Academic and Research Excellence Committee, which led to the development of a framework that will position Florida well for continued momentum in growing its research portfolio.

Chair Lautenbach stated he looks forward to the upcoming meeting at Florida Atlantic University to discuss its goal of becoming a top 100 public university. Florida is ranked No. 1 in the country for higher education by *U.S. News & World Report*. He noted both the University of Florida and Florida State University moved closer to achieving their goals of top 5 and top 25 status, respectively, with UF climbing one spot in the rankings to No. 8 and FSU climbing to No. 26. Additionally, USF moved 10 spots to No. 58, UCF moved three spots to 87, and FIU moved 22 spots to No. 100. New College rose one spot to No. 5 in the Public Liberal Arts Colleges category. He congratulated each university on their progress.

In closing, Chair Lautenbach expressed his condolences to the family of Kevin Masculine on the loss of their son at Florida Polytechnic University. Mr. Masculine's death is a tragic reminder of why the Board must remain committed to its work on student safety. Florida Atlantic University also dealt with a difficult situation when a security threat resulted in the cancellation of a graduation ceremony. He thanked the university for working to ensure the safety of its students and their families. Finally, he commended Florida Gulf Coast University for its proactive response in averting a

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serious cyber threat. He stressed that cybersecurity is a critically important issue that must be addressed in order to mitigate any threats to the security of student data.

Chair Lautenbach emphasized we must continue to be vigilant when it comes to student safety. The work of the Drugs, Alcohol and Mental Health Committee has never been more important and he thanked the universities for working to keep student safety a top priority.

4. Minutes of Board of Governors Meeting

A. Board of Governors Meeting held June 28, 2018

Dr. Valverde moved approval of the Minutes of the meeting held June 28, 2018, as presented. Mr. Levine seconded the motion, and the members concurred unanimously.

5. Chancellor's Report

Chancellor Criser reported that because of the support of Governor Scott, the Legislature, and the Board, the System has experienced a 51.8% increase in "per student" funding over the last five years, notwithstanding a 7.5% increase in the student population. He noted this funding increase is the equivalent of raising tuition 125%, even though there have been no tuition increases. Notably, the System now has five universities in the top 100, four universities in the top 50, and New College ranked No. 5 among public liberal arts colleges, notwithstanding that Florida ranks second lowest in tuition cost in the country. Consequently, contrary to national trends, Florida has continued to invest in higher education. In closing, Chancellor Criser thanked the Board, the Legislature, and the Governor for their continued support.

6. Think Florida

Chair Lautenbach welcomed Executive Director Cissy Proctor of the Florida Department of Economic Opportunity and Mr. Jerry Parrish, Chief Economist and Director of Research at the Florida Chamber Foundation. Ms. Proctor thanked Chair Lautenbach for the opportunity to appear before the Board. She explained the focus of her agency is on economic and workforce development and its mission is to make Florida a place where people come to live, learn, and work. She emphasized the importance of the partnership that exists between the State University System and Florida businesses and how the state depends on the universities to produce a talented workforce. She reminded members of the 2016 Degrees to Jobs Summit where attendees were encouraged to "step it up a notch" in making connections with the business community. Since that time, over 25,000 connections have been made between universities and businesses, which include USF working with Raymond James to develop a new Certified Financial Planning major, FAMU working with Lockheed

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Martin on the development of new spacecraft, and UCF working with HCA to build a new hospital at Lake Nona. She thanked the Board and the universities for their continued efforts to make Florida a thriving economy.

Mr. Parrish said their job is to look two to thirty years into the future to identify solutions that support the six pillars of the Florida Chamber's 2030 plan. These pillars are focused on making Florida's economy globally competitive, creating high-wage jobs, and developing vibrant, sustainable communities.

Chancellor Criser asked Mr. Parrish to share information he developed on how to diversify Florida's economy. Mr. Parrish said new data from the industry diversification index published by Florida Gulf Coast University shows that Florida has moved up to No. 20 in the diversification of its economy. He explained the state has achieved this, in part, by expanding manufacturing and targeting certain businesses. He cautioned, however, that every other state is fighting to diversify its economy. Mr. Kitson asked Mr. Parrish about opportunities that have been identified by the Florida Chamber and to expound upon what the State University System can do to seize on these opportunities. He stated the largest opportunities are in manufacturing, health care, trade and logistics, aviation and space, and finance and business services, and that these opportunities don't necessarily require a baccalaureate degree but instead may require a certificate or other credential. Mr. Parrish recently released a report announcing that Florida has a \$1 trillion economy, which garnered global attention.

Chair Lautenbach inquired how Florida's economy compares to those of other states. Mr. Parrish said Florida is balanced and growing in the right areas. Starting in 2014, Florida was creating one in every ten jobs in this country, although that rate has fallen some, but that the economy is still growing at the rate of 2.5% versus 1.6% for the national average. Mr. Levine asked where the largest gaps are in the workforce. Ms. Proctor said there are gaps in the skilled trades and in high-skill areas like information technology and engineering. Mr. Patel asked them to describe the role they envision the State University System playing in the talent supply chain. Ms. Proctor said the universities play a huge role and the increase in university rankings helps to attract students to Florida and additional research dollars. Universities have also been nimble in their ability to respond to employer needs across the state. There being no other questions, Chancellor Criser thanked Ms. Proctor and Mr. Parrish for their insights.

7. Public Comment

Chair Lautenbach asked Ms. Shirley if there were any requests for public comment for items on the Board's agenda. Ms. Shirley stated there were three requests for public comment. The first request was from Mr. Marshall Ogletree, the Executive Director of the United Faculty of Florida. Mr. Ogletree asked the Board to immediately reinstate or renew the contracts of Christina Drake, Chris Coughlin, Casey Fox and Kate Bernard,

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former employees of Florida Polytechnic University, who he said have done nothing wrong but exercise their union rights and right to free speech. He next asked for the Board to initiate an independent investigation into all personnel actions at Florida Polytechnic since 2016, the delivery of mental health services at the university, and to review the university's audit and compliance reports. He claims faculty members have experienced retaliation since the union won the election in 2016. He asked the Board to put Florida Polytechnic back on the path to success with new leadership and presented the Board with a petition signed by faculty, K-12 teachers, and community members across the state.

Mr. Ogletree said he has never witnessed such callous disregard for students and faculty. He asserted President Avent besmirched the professional integrity of Casey Fox, the former Wellness Coordinator, who was fired and escorted off campus, as was the university's librarian. He said both had received excellent reviews but were told the university was going in a different direction. He posited whether it was because they were part of a union bargaining team.

He also alleged there was no continuity in care for students following the discharge of Ms. Fox. He presented a letter from Mr. Tom Huber, a former faculty member of Florida Polytechnic and a cease-and-desist letter on behalf of Ms. Fox. He said Christina Drake, the former faculty senate president at Florida Polytechnic, was non-renewed after she spoke to the media. He also took issue with the administrator-to-faculty ratio, which he described as being 1:1 and the fact that ten faculty were let go in two years. He also reported that in a faculty survey, 65% of the 50% of faculty who responded disagreed that faculty moral was high, and 65% disagreed they could openly express a dissenting opinion about university policy without fear of reprisal. Finally, he said faculty members are being retaliated against when they stand up for the rights of students and faculty members and he urged Board members to correct the situation.

The next speaker was Ms. Carolyn Collins representing the Florida Agricultural and Mechanical University National Alumni Association. She thanked the Board for supporting the university in its housing initiative. She explained the alumni association is supporting student scholarships, the athletics program, and the band, and working diligently to keep FAMU the No. 1 HBCU. She next commended Board members on their efforts to address the mental health needs of students due to the critical importance of the issue. Finally, she wished President Genshaft well on her retirement.

The final speaker was Mr. Bruce Sukennikoff, the parent of a student with disabilities at Florida Polytechnic. He explained his son was initially denied admission at Florida Polytechnic but following an appeal where his son's disability was fully disclosed, his son was admitted for the fall 2016 semester. They worked with the university's Office of Disabilities Services to acquire the classroom accommodations their son needed. However, the accommodations that were initially provided were not sufficient so they

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filed an appeal with Dr. Warner, the Student Services Vice Provost. Mr. Sukennikoff explained appropriate accommodations were finally approved in the spring 2017 semester and they received a letter from the Provost, Dr. Parker, which listed the accommodations and directed faculty to follow them. However, he stated some faculty members did not understand his son's disabilities and denied the accommodations, which impacted his son's anxiety level, self-esteem and grades. Because his son's anxiety was so severe, Mr. Sukennikoff met with Dr. Parker and Dr. Miller, the Provost and the new Student Services Vice Provost, respectively. He contends during the meeting, Dr. Parker advised that he (Dr. Parker) could decide how his son's accommodations would be applied, notwithstanding the accommodations letter Dr. Parker had previously issued. Mr. Sukennikoff next sought to meet with President Avent, who he claims refused to meet with him.

This semester, his son is continuing to experience problems with faculty members who are denying him the accommodations outlined in Dr. Parker's letter. According to Mr. Sukennikoff, faculty members are blaming the administration. Mr. Sukennikoff asked the Board to investigate the campus. He does not believe they have the proper services for mental health or for students with disabilities. He said his son is being discriminated against because of his disability and he needs to be provided with his accommodations in order to be successful. He urged the Board to exercise its oversight to remedy the situation at Florida Polytechnic. Chair Lautenbach thanked Mr. Sukennikoff for his comments.

8. Renewal of Chancellor's Employment Agreement

Chair Lautenbach took up the next item on the agenda pertaining to renewal of the Chancellor's Employment Agreement. Based on his exemplary performance, Chair Lautenbach recommended renewal of the contract for another year and to increase the total compensation package by six percent. He also requested a delegation of authority from the Board to execute the agreement, if approved.

Mr. Kitson moved to renew the Chancellor's Employment Agreement and to authorize Chair Lautenbach to execute the agreement. Mr. Patel seconded the motion, and the members concurred unanimously.

9. Drugs, Alcohol and Mental Health Task Force Report

Chair Lautenbach called on Dr. Valverde for the Drugs, Alcohol and Mental Health Task Force Report. Dr. Valverde stated the Task Force received a number of updates. These included an update on mental health services across the system; best practices regarding education, prevention and treatment programs; an update on the Dashboard Project from Dr. Corey King; a presentation on two system-wide initiatives relative to

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student wellness; and an update on key student life activities at Florida Polytechnic University.

10. Audit and Compliance Committee Report

Chair Lautenbach called on Ms. Link for the Audit and Compliance Committee report. Ms. Link said the committee received a report from Ms. Julie Leftheris, the Board's Inspector General, summarizing all of the state university audit reports, including the Auditor General audit coverage as well as each university's chief audit executive's audit coverage. In addition, Mr. Kelvin Lawson, the Chair of the Florida Agricultural and Mechanical University Board of Trustees reported on the university's progress in repaying their auxiliary programs and achieving a balanced budget for the athletics program. Finally, President Avent reported on the university's actions in addressing the reasonableness of the administrative fees retained by the university in connection with the development of an anti-hazing online course, and on the Foundation's plan to cover the university's remuneration commitments and student scholarship commitments.

11. Academic and Student Affairs Committee Report

Chair Lautenbach recognized Mr. Tripp to report on the Academic and Student Affairs Committee. Mr. Tripp reported the committee heard a legislative budget request to expand capacity in the Florida Small Business Development Center. The request was deferred until November while Board staff compiles additional information about the request.

A. Public Notice of Intent to Amend Board of Governors Regulation 10.014 Academic Infrastructure and Support Organizations

Mr. Kitson moved approval of the public notice of intent to amend Board of Governors Regulation 10.014 Academic Infrastructure and Support Organizations. Ms. Link seconded the motion, and the members concurred unanimously.

12. Two + Two Articulation Committee Report

Chair Lautenbach asked Ms. Link for the Two + Two Committee report. Ms. Link reported the committee took up four items, two of which require approval. She said the committee heard presentations on the number and characteristics of Florida College System Associates in Arts transfer students and on financial aid for transfer students.

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A. Strategy 1: Recommendation for a Web-Based 2+2 Advising Tool

Ms. Link moved approval of the recommendation for staff to develop a memorandum of understanding with the Florida Virtual Campus, in collaboration with the Florida College System and the Office of Articulation, for the purpose of developing a web-based 2+2 advising toolkit as outlined by the 2+2 Workgroup. Mr. Huizenga seconded the motion, and the members concurred unanimously.

B. 2018-2019 Two + Two Articulation Committee Workplan

Ms. Link moved approval of the 2018-2019 Two + Two Articulation Committee Workplan. Mr. Levine seconded the motion, and the members concurred unanimously.

13. Innovation and Online Committee Report

Chair Lautenbach recognized Mr. Morton for the Innovation and Online Committee report. Mr. Morton said the committee received reports on the Complete Florida Degree Initiative, the MyCareerShines career planning program, and on campus initiatives designed to reduce a student's time to degree through acceleration models.

14. Facilities Committee Report

Chair Lautenbach recognized Mr. Huizenga for the Facilities Committee report. Huizenga stated the committee had three items on its agenda.

A. 2019-2020 Fixed Capital Outlay Legislative Budget Request

Mr. Huizenga moved to adopt the 2019-2020 Fixed Capital Outlay Legislative Budget Request. Mr. Patel seconded the motion, and the members concurred unanimously.

B. Florida A&M University Housing – Request for Debt Authorization

Mr. Huizenga explained the committee adopted a resolution authorizing FAMU to enter into one or more loan agreements with the U.S. Department of Education in connection with the Department's Historically Black College and University Capital Financing Program and approving the issuance of fixed rate, taxable revenue bonds by the Division of Bond Finance in an amount not to exceed \$125,000,000 for financing (i) the refunding and restructuring of all of FAMU's existing housing revenue bonds; (ii) construction and equipping of a new student housing and dining facility, (iii) capitalized interest, and (iv) certain other issuance-related costs. In addition, the contractor will submit a Guaranteed Maximum Price to FAMU and Board staff no later than January 24, 2019 and prior to closing of the funds. Mr. Patel moved to adopt the

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resolution as presented and Ms. Link seconded the motion. The members concurred unanimously.

C. University of Central Florida – Colbourn Hall

Mr. Huizenga provided a brief recap of the committee discussion regarding the use of educational and general funds to construct new Colbourn Hall at the University of Central Florida. He recognized that old Colbourn Hall had significant problems but violating state law and Board of Governors regulation to solve those problems was not how the university should have proceeded. He said the committee asked the university not to move forward with any capital projects until such time as the UCF Board of Trustees has completed the implementation of the procedures discussed at the UCF Board of Trustees' meeting held on September 6, 2018, and verified to the Board of Governors that the procedures are in place.

15. Strategic Planning Committee Report

Chair Lautenbach called on Ms. Jordan for the Strategic Planning Committee Report. Ms. Jordan stated the committee took up three items, one for approval. The presentation items included an update from the University of South Florida on the campus consolidation efforts and that Dr. Christy England, the Interim Vice Chancellor of Academic and Student Affairs, provided a system summary of the 2018 University Accountability Plans.

A. Public Notice of Intent to Amend Board of Governors Regulation 2.002 University Work Plans and Annual Reports

Ms. Jordan moved to approve public notice of intent to amend Board of Governors Regulation 2.002 University Work Plans and Annual Reports. Mr. Levine seconded the motion, and the members concurred unanimously.

16. Academic and Research Excellence Committee Report

Chair Lautenbach called on Mr. Levine to report on the Academic and Research Excellence Committee. Mr. Levine reported the committee took up two items, one for approval. Two of the items related to legislative budget requests for the Programs of Excellence and World Class Scholars initiatives, both of which were approved by the committee and forwarded to the Budget and Finance Committee for consideration. The committee also continued its discussion on the State University System's research capacity and productivity as compared to other states.

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A. Programs of Excellence Report

Mr. Levine moved to approve the Programs of Excellence Report as presented. Ms. Jordan seconded the motion, and the members concurred unanimously.

17. Budget and Finance Committee Report

Chair Lautenbach recognized Mr. Kitson for the Budget and Finance Committee Report. Mr. Kitson stated there were several action items for the Board to consider.

A. Public Notice of Intent to Amend Board of Governors Regulation 7.003
Fees, Fines and Penalties

Mr. Kitson moved approval of the public notice of intent to amend Regulation 7.003 Fees, Fines and Penalties. Mr. Huizenga seconded the motion, and the members concurred unanimously.

B. Public Notice of Intent to Amend Board of Governors Regulation 9.011
University Direct Support Organizations and Health Services Support
Organizations

Mr. Kitson moved approval of the public notice of intent to Amend Regulation 9.011 University Direct Support Organizations and Health Services Support Organizations. Mr. Huizenga seconded the motion, and the members concurred unanimously.

C. 2018-2019 State University System Operating Budget

Mr. Kitson moved to approve the 2018-2019 State University System Operating Budget as presented. Ms. Jordan seconded the motion, and the members concurred unanimously.

D. 2018-2019 Board General Office Budget

Mr. Kitson moved to approve the 2018-2019 Operating Budget for the Board office, and authorize the Chancellor to make budgetary changes as necessary to operate the office. Mr. Huizenga seconded the motion, and the members concurred unanimously.

E. 2019-2020 State University System Legislative Budget Request

Mr. Kitson moved to approve the 2019-2020 Legislative Budget Request for the State University System as presented, and authorize the Chancellor to make technical changes as necessary. Mr. Huizenga seconded the motion, and the members concurred unanimously.

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F. 2019-2020 Board General Legislative Budget Request

Mr. Kitson moved to approve the 2019-2020 Legislative Budget Request for the Board Office, and authorize the Chancellor to make technical changes as necessary. Mr. Huizenga seconded the motion, and the members concurred unanimously.

18. Concluding Remarks and Adjournment

Chair Lautenbach announced the next in-person meetings of the Board include a workshop at Florida Atlantic University on October 11, 2018, and a Budget and Finance and Facilities workshop on October 16, 2018, at the University of South Florida. He also encouraged everyone to attend the 2018 Trustee Summit that will be held at Florida Atlantic University on November 7, 2018.

Having no further business, the meeting was adjourned at 3:20 p.m. on September 13, 2018.

Ned C. Lautenbach, Chair

Vikki Shirley,
Corporate Secretary

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: Chancellor's Report to the Board of Governors

PROPOSED BOARD ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Chancellor Marshall M. Criser III will report on activities affecting the Board staff and the Board of Governors since the last meeting of the Board.

Supporting Documentation Included: None

Facilitators/Presenters: Chancellor Marshall M. Criser III

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: Public Comment

PROPOSED BOARD ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Section 286.0114, Florida Statutes; Article V, Section H, Board of Governors Operating Procedures

BACKGROUND INFORMATION

Article V, Section H, of the Board of Governors Operating Procedures provides for public comment on propositions before the Board. The Board will reserve a maximum of fifteen minutes during the plenary meeting of the Board to take public comment.

Individuals, organizations, groups or factions who desire to appear before the Board to be heard on a proposition pending before the Board shall complete a public comment form specifying the matter on which they wish to be heard. Public comment forms will be available at each meeting and must be submitted prior to the plenary meeting.

Organizations, groups or factions wishing to address the Board on a proposition shall designate a representative to speak on its behalf to ensure the orderly presentation of information to the Board. Individuals and representatives of organizations, groups or factions shall be allotted three minutes to present information; however, this time limit may be extended or shortened depending upon the number of speakers at the discretion of the Chair.

Supporting Documentation Included: None

Facilitators/Presenters: Chair Ned Lautenbach

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: Amend 2019-2020 SUS Fixed Capital Outlay Legislative Budget Request

PROPOSED BOARD ACTION

Review and approve the 2019-2020 SUS Fixed Capital Outlay Legislative Budget Request

Approval is recommended by the Chancellor

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The requested budget provides the State University System of Florida continued capital outlay support and has been prepared in accordance with statutory requirements and guidelines adopted by the Board of Governors. All university fixed capital outlay budget requests have been approved by the institutional boards of trustees.

The Board adopted a lump sum budget for PECO and CITF as the initial budget request for 2019-2020. The proposed amounts are in accordance with the official estimated amounts as provided by Florida law. A workshop was conducted October 16, 2018, at USF. At the workshop, the Committee reviewed selected high priority PECO projects with detailed project presentations by university representatives.

Specific Fixed Capital Outlay Appropriation Requests

I. PECO 2019-2020 SUS Three Year Fixed Capital Outlay Prioritized Request
provides funding for:

A) Maintenance, Repair, Renovation and Remodeling:	
2019-20	\$51,984,579
2020-21	\$54,891,599
2021-22	\$57,326,799

B) SUS Projects:

2019-20	\$ 64,929,490
2020-21	\$ 68,560,400
2021-22	\$ 71,602,000

C) Request for Legislative Authorization

- II. [ADOPT \$44M] Request for Capital Improvement Trust Fund Allocation,** represents an amount based on current CITF revenue projections, with a base assumption of no future fee increases. The pro-rata distribution is recommended based on historical contributions of each institution.

Supporting Documentation:

Information included with the Facilities
Committee materials

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: Resolution of the Board of Governors authorizing the USF Financing Corporation to issue \$33,000,000 of revenue bonds on behalf of the University of South Florida for the purpose of constructing a new residence hall and associated dining facility on the St. Petersburg campus of the University

PROPOSED BOARD ACTION

Adoption of a resolution approving the issuance of fixed rate, tax-exempt revenue bonds, by the USF Financing Corporation (the “DSO”) on behalf of the University of South Florida (the “University”), in an amount not to exceed \$33,000,000 (the “Bonds”) for the purpose of financing construction and equipping of a new student housing facility and a new dining facility shell space (collectively, the “Project”) on the St. Petersburg campus of the University.

Staff of the Board of Governors, State University System of Florida, and the Division of Bond Finance, State Board of Administration of Florida, has reviewed this resolution and all supporting documentation. Based upon this review, it appears that the proposed financing is in compliance with Florida Statutes governing the issuance of university debt. Accordingly, staff of the Board of Governors recommends adoption of the resolution and authorization of the proposed financing.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Florida Board of Governors Debt Management Guidelines; Section 1010.62, Florida Statutes; and Article IX, Section 7, Florida Constitution.

BACKGROUND INFORMATION

The proposed housing project will be located on the St. Petersburg campus and will consist of a 6-story building, comprising approximately 125,000 square feet of space and 375 beds in suite style configuration, primarily (60%-75%) 4 bed-2 bath single-occupancy units, with the remainder as 2 bed-1 bath double-occupancy units. The Project includes a dining facility shell space of approximately 12,000 square feet. The Project is consistent with the University’s Campus Master Plan.

Construction of the Project is estimated at a total cost of \$30.7M, including \$27.2M for the housing facility, \$2.2M for the dining facility shell and \$1.3M site work and contingencies.

The Project will be financed by fixed rate, tax-exempt bonds issued by the USF Financing Corporation (the “DSO”), in an amount not exceeding \$33,000,000, inclusive of a capitalized interest and cost of issuance. The Bonds will be structured with level debt service and a final maturity no more than 30 years after issuance.

Gross housing system revenues will be pledged for the payment of debt service. These revenues gross income, fees, rentals and other charges received by the DSO or the University on behalf of the DSO derived from housing system facilities, including parking facilities and the retail and commercial uses comprising a part of the housing system.

Projections provided by the University indicate that sufficient net revenues will be generated to pay debt service on the Bonds.

The Project and the financing thereof was approved by the DSO Board of Directors, at its July 9, 2018 meeting, and the University Board of Trustees, at its July 24, 2018 meeting.

Supporting Documentation Included: Information located in the Facilities Committee materials

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: Public Notice to Approve Amendment of Board of Governors Regulation
10.014 Academic Infrastructure and Support Organizations

PROPOSED BOARD ACTION

Consider approval of amendment of Board of Governors Regulation 10.014 Academic Infrastructure and Support Organizations

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution, and Board of Governors Regulation Development Procedure

BACKGROUND INFORMATION

Board of Governors Regulation 10.014 Academic Infrastructure and Support Organizations has been amended in order to address the State University System membership requirement and update language pertaining to the Board. The amendments include:

1. Defining the State University System membership requirement of the academic infrastructure and support organization (AISO) as comprising at least fifty-one (51%) of the AISO voting membership and its executive committee, as applicable.
2. Updates the language pertaining to the Board, replacing "BOG" with "Board."

The Intent to Amend was reviewed by appropriate offices at all universities and the Board of Governors approved the Public Notice of Intent to Amend at its September 12-13, 2018 meeting. Following that approval no public comments were received and the regulation as amended is ready for final approval.

Supporting Documentation Included: Amended Regulation 10.014 Academic Infrastructure and Support Organizations

10.014 Academic Infrastructure and Support Organizations

(1) Academic Infrastructure and Support Organizations (AISOs) provide underlying technology, equipment, facilities, services, and resources for academic programs and research in the State University System of Florida (SUS). Such organizations must be approved by the Board of Governors (~~BOG-Board~~) and may use “Institute” or “Center” in their names. Although each AISO’s operational budget shall remain in the base of its host institution, the ~~BOG-Board~~ may consider additional budget requests accompanied by recommendations, positive or negative, from the State University System Council of Academic Vice Presidents (CAVP).

(2) Establishment of AISOs –

(a) The ~~BOG-Board~~, a host university, or the CAVP may initiate the establishment of an AISO. If the AISO will include non-SUS institutions or entities as members, SUS institutions must comprise at least fifty-one percent (51%) of the AISO voting membership and its executive committee, as applicable. An AISO proposal must be formally approved by the board of trustees of the host university and then submitted via the Office of the Chancellor for consideration by the CAVP and the ~~BOG-Board~~.

1. The proposal shall specify the purpose of the AISO, the need and demand for the AISO, consistency with the ~~BOG System’s~~ Strategic Plan, and anticipated funding sources. The proposal shall include a draft Memorandum of Understanding, which shall contain, at a minimum:
 - a. The name of the AISO;
 - b. The mission and goals of the AISO;
 - c. A five-year budget plan that projects the major sources of funding and expenditures;
 - d. Identification of the host institution/fiscal agent and participating institutions/organizations;
 - e. The governance and organizational structure of the AISO (including whether it will have an advisory board or will be a consortium with an executive committee, and criteria for appointments to the advisory board or executive committee, including terms, roles, authority, and number of members);
 - f. Guidelines for appointing, funding, supervising, and evaluating the AISO leadership position(s);
 - g. Expectations for administrative and logistical support for the AISO, including expectations regarding reimbursement to the host university for direct costs of administrative services rendered by the university to the AISO;
 - h. Procedures for recommending increases/decreases in the appropriation of State funds for the AISO;
 - i. Specifications for the processing of contracts and grants, if applicable,

including the percentage of overhead funds to be returned to the AISO;
and

- j. Ongoing planning and operating expectations and criteria for the cyclic review of the AISO.
- (b) After the Office of the Chancellor reviews the proposal for compliance, the proposal shall be forwarded to the CAVP for consideration. If the CAVP recommends the establishment of the AISO, the Chancellor shall transmit the Memorandum of Understanding to all participating institutions for ratification by the presidents and the chairs of the boards of trustees. After the Memorandum of Understanding is ratified, the proposal shall be considered by the ~~BOG~~ Board.

(3) Reporting Requirements -

- (a) Annual Reports - No later than October 31 of each year, an annual report covering the previous fiscal year (July 1 - June 30) shall be provided to the Chancellor. The report shall include a summary of activities and accomplishments, provide actual expenditure and position data, and include a workplan for the current fiscal year. Prior to its submission to the Chancellor, the annual report must be approved by the board of trustees of the host university or its designee, and reviewed by the CAVP.
- (b) Programmatic Evaluation/Review - Copies of all evaluation/review information shall be submitted to the ~~BOG~~ Board's Office of Academic and Student Affairs.
 - 1. AISOs shall be reviewed based on criteria and procedures outlined in this regulation and in the Memorandum of Understanding. External consultants may be used in the review process. At a minimum, each AISO shall be reviewed every five years by the host institution. The host university board of trustees, the CAVP, or the ~~BOG~~ Board may request a programmatic review outside of the cyclic review schedule. A copy of all review reports shall be provided to the CAVP to inform any related budget recommendations.
 - 2. At a minimum, all five-year evaluations/reviews shall include:
 - a. A determination of the organization's progress against defined goals and objectives within the context of the AISO's mission, the participating university missions, and the System's current ~~BOG~~ Strategic Plan;
 - b. An assessment of the return on investment of State dollars, if applicable;
 - c. The need for continuation of the AISO;
 - d. Proposed changes in mission or organizational structure;
 - e. Recommendations for budget reductions or expansion; and
 - f. Recommendations for status or location change, if applicable.

(4) Termination or Conversion -

- (a) AISOs may be terminated at the recommendation of the CAVP and upon the

approval of the ~~BOG Board~~. Alternatively, an AISO may be converted into a State of Florida Institute/Center or University Institute/Center through the same process.

- (b) The request for terminating or converting the AISO may be initiated by the ~~BOG Board~~, host university, or CAVP. The request must include a plan for allocation of equipment, facilities, real property, and any unused funds.
- (c) If a terminated AISO has been funded directly by the Legislature, the request for termination must include documentation that Legislative intent has been achieved and that the AISO is no longer required.
- (d) An annual report is still required if the AISO expends any funds during the fiscal year in which it is terminated.

Authority: Section 7(d), Art. IX and Section 24, Art. I, Fla. Const.; History: New 06-19-2008. Revised mm-dd-yyyy.

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: Ph.D. in Aerospace Engineering, CIP 14.0201, University of Central
Florida

PROPOSED BOARD ACTION

Consider approval of the Ph.D. in Aerospace Engineering, CIP 14.0201, at University of Central Florida

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 8.011

BACKGROUND INFORMATION

The University of Central Florida (UCF) is proposing to establish a research doctoral program in Aerospace Engineering. The Aerospace Engineering doctoral program will require the completion of 42 semester credit hours beyond the master's degree or 72 semester credit hours beyond the bachelor's degree.

If approved, this would be the second Ph.D. in Aerospace Engineering under CIP 14.0201 in the State University System. The purpose of the proposed program is to prepare highly qualified individuals with graduate education and research training to support the growing aerospace industry both in Florida and nationally.

The UCF Board of Trustees approved the program on September 27, 2018. If approved by the Board of Governors, UCF will implement the program effective Fall 2019.

Supporting Documentation Included: Information located in the Academic and Student Affairs Committee materials

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: Ph.D. in Strategic Communication, CIP 09.0900, University of Central Florida

PROPOSED BOARD ACTION

Consider approval of the Ph.D. in Strategic Communication, CIP 09.0900, University of Central Florida

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 8.011

BACKGROUND INFORMATION

The University of Central Florida (UCF) is proposing a Ph.D. in Strategic Communication. The program will have two concentrations: health communication and risk/crisis communication. The program will require the completion of 60 semester credit hours beyond the master's degree and a community engagement internship so that graduates will have some professional experience.

If approved, the program would be the first Ph.D. in Strategic Communication to be offered in CIP 09.0900 in the state of Florida. The proposed program is designed to prepare graduates to research, teach, develop, and manage messages about health, risk, or crisis situations.

The UCF Board of Trustees approved the program on March 22, 2018. If approved by the Board of Governors, UCF will implement the program effective Fall 2019.

Supporting Documentation Included: Information located in the Academic and Student Affairs Committee materials

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: DMA in Music, CIP 50.0901, University of Florida

PROPOSED BOARD ACTION

Consider approval of the DMA of Music, CIP 50.0901, University of Florida

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 8.011

BACKGROUND INFORMATION

The University of Florida (UF) is proposing a Doctor of Musical Arts (DMA) with an academic specialty in Music. The program will require completion of 90 semester credit hours of post-baccalaureate study, with a maximum of 30 credits transferred from a master's degree. This is a professional applied doctorate.

If approved, the program would be the first DMA in CIP 50.0901 in the State University System. The proposed DMA is uniquely designed to prepare highly qualified, elite students for both faculty positions in postsecondary education and the artistic job market. This degree will be distinguished nationally by the requirement of a secondary cognate in a discipline outside of Music, such as Engineering, Entrepreneurship, Management, Arts in Medicine, or Digital Media.

The UF Board of Trustees approved the program on December 15, 2017. If approved by the Board of Governors, UF will implement the program effective Fall 2019.

Supporting Documentation Included: Information located in the Academic and Student Affairs Committee materials

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: Ph.D. in Intelligent Systems and Robotics, CIP 11.0102, University of West Florida

PROPOSED BOARD ACTION

Consider approval of the Ph.D. in Intelligent Systems and Robotics, CIP 11.0101, University of West Florida

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 8.011

BACKGROUND INFORMATION

The University of West Florida (UWF) is proposing a Ph.D. in Intelligent Systems and Robotics. The degree program will require the completion of 42 semester credit hours beyond the master's degree or 72 semester credit hours beyond the bachelor's degree.

If approved, the proposed Ph.D. in Intelligent Systems and Robotics would be the first program under CIP 11.0102 to be offered in the State University System (SUS) and the first research doctorate at UWF. The program will be an affiliation between UWF and the Florida Institute for Human and Machine Cognition (IHMC), a not-for-profit research institute of the SUS. The purpose of the proposed program is to prepare educators and researchers to develop technology combining human and machine elements. Potential employment opportunities include a variety of high-tech industries such as advanced manufacturing, healthcare, defense, and transportation, as well as in higher education.

The UWF Board of Trustees approved the program on June 5, 2018. If approved by the Board of Governors, UWF will implement the program effective Fall 2019.

Supporting Documentation Included: Information located in the Academic and Student Affairs Committee materials

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: Limited Access Status for the Bachelor of Science in Biomedical Engineering, CIP 14.0501, University of South Florida

PROPOSED BOARD ACTION

Consider approval of limited access status for the Bachelor of Science in Biomedical Engineering, CIP 14.0501, University of South Florida

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 8.013

BACKGROUND INFORMATION

The University of South Florida (USF) is requesting limited access status for the Bachelor of Science in Biomedical Engineering. Board of Governors Regulation 8.013 provides that baccalaureate degree programs may be approved as limited access for the following reasons.

- The number of qualified applicants exceed the program's resources and capacity.
- Special skills or talent is required to be successful in the program.
- Higher academic achievement is necessary to be successful in the program.

The limited access status request is based on the limited laboratory space as required for accreditation and the requirement for higher academic achievement in order to be successful in the program. By establishing a minimum GPA of 3.5 overall for prerequisite coursework attempted, students should be able to successfully complete the upper-division coursework.

The USF Board of Trustees approved limited access status for the program on March 12, 2018. If approved by the Board of Governors, USF will implement limited access status for the program in Spring 2019.

Supporting Documentation Included: Information located in the Academic and Student Affairs Committee materials

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: Exception to 120 credit hours for the Bachelor of Science Biomedical Engineering, CIP 14.0501, Florida Agricultural and Mechanical University-Florida State University, College of Engineering

PROPOSED BOARD ACTION

Consider approval of an exception to 120 credit hours for the Bachelor of Science Biomedical Engineering, CIP 14.0501, Florida Agricultural and Mechanical University-Florida State University, College of Engineering

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 8.014

BACKGROUND INFORMATION

The Florida Agricultural and Mechanical University (FAMU) and Florida State University (FSU) College of Engineering seek an exception to the 120 credit hours baccalaureate degree requirement for the Bachelor of Science in Biomedical Engineering in order to accommodate curriculum requirements based on accreditation standards set by the Accreditation Board for Engineering and Technology, Inc. (ABET). The program encompasses three majors: Cell and Bioprocess Engineering, Biomaterials and Polymers Engineering, and Imaging and Signal Processing Engineering. The proposal seeks an exemption to allow all three majors within the program to be set at 131 credit hours. The proposed degree program had existed as a major within the current Bachelor of Science in Chemical Engineering, which also received approval for 131 credit hours. The requested program length is consistent with program lengths at other State University System institutions offering similar programs.

The FSU Board of Trustees approved the exception on February 23, 2018, and the FAMU Board of Trustees approved the request on June 7, 2018. The exemption will become effective upon approval by the Board of Governors.

Supporting Documentation Included: Information located in the Academic and Student Affairs Committee materials

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: Public Notice to Approve Amendment of Board of Governors Regulation
2.002 University Work Plans and Annual Reports

PROPOSED BOARD ACTION

Consider approval of amendment of Board of Governors Regulation 2.002 University Work Plans and Annual Reports

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution, and Board of Governors Regulation Development Procedure

BACKGROUND INFORMATION

On January 24, 2018, the Board of Governors determined that the retrospective data in its Annual Accountability Report and the prospective data in Annual University Work Plans would be more effectively analyzed if they were available in a single document. Amending Board Regulation 2.002 University Work Plans and Annual Reports comports with this change.

The Public Notice of Intent to Amend was reviewed by appropriate offices at all universities, and the Board of Governors approved the Public Notice of Intent to Amend at its September 12-13, 2018 meeting. Following that approval no public comments were received and the regulation as amended is ready for final approval.

Supporting Documentation Included: Amended Regulation 2.002 University Work Plans and Annual Reports

2.002 University Accountability Plans ~~Work Plans and Annual Reports~~

- (1) The Board of Governors shall institute a planning and performance monitoring system that includes university submissions of annual accountability plans designed to inform strategic planning, budgeting, and other policy decisions for the State University System.
- (2) Each university's accountability plan shall reflect the institution's distinctive mission and focus on core institutional strengths within the context of State University System goals and regional and statewide needs.
- (3) Each board of trustees shall prepare an accountability plan and submit updates on an annual basis for consideration by the Board of Governors. The accountability plan shall outline the university's top priorities, strategic directions, and specific actions for achieving those priorities, as well as progress towards previously approved institutional and System-wide goals.
- (4) Each university's accountability plan shall include the following:
 - (a) The university's mission and vision statements;
 - (b) Narrative describing the university's strengths, opportunities, challenges, and the university's top three key initiatives for the next three years;
 - (c) Key Achievements by students, faculty, academic programs and research during the previous year;
 - (d) Data reflecting institutional performance and projections of future performance on key indicators that support the State University System strategic plan goals – as identified by the Board of Governors;
 - (e) University-identified, optional, metric goals designed to demonstrate the university's distinctive mission, as identified in its strategic plan;
 - (f) Actual and planned headcount and FTE enrollment data;
 - (g) A listing of new academic degree program proposals that the university plans to submit to its board of trustees within the next three years;
 - (h) Any other specific planning information requested by the Board of Governors in advance of the submission deadline.
- (5) The Chancellor shall provide universities with submission deadlines, as well as with content and format specifications for the accountability plans.
- (6) The Board of Governors shall annually submit the university accountability plans and the System summary of the university plans to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

- ~~(1) The Board of Governors shall institute a planning and performance monitoring system that includes the university submission of work plans and annual reports designed to inform strategic planning, budgeting, and other policy decisions for the State University System.~~
- ~~(2) Each university's work plans and annual reports shall reflect the institution's distinctive mission and focus on core institutional strengths within the context of State University System goals and regional and statewide needs.~~
- ~~(3) Each board of trustees shall prepare a work plan and submit updates on an annual basis for consideration by the Board of Governors. The work plan shall outline the university's top priorities, strategic directions, and specific actions and financial plans for achieving those priorities, as well as performance expectations and outcomes on institutional and System-wide goals.~~
- ~~(4) Each university's work plan shall include a copy of the following:
 - ~~(a) The university's mission statement and vision for the next five to ten years;~~
 - ~~(b) A listing of new academic degree program proposals that the university plans to submit to its board of trustees within the next three years;~~
 - ~~(c) A tuition differential proposal, if applicable, as outlined in Board of Governors Regulation 7.001 (13);~~
 - ~~(d) University projected contributions on metrics related to specific System-wide strategic goals identified by the Board of Governors;~~
 - ~~(e) A minimum of three additional institution-specific goals on which university effort will be focused within the next three years, the proposed strategy for achieving each goal, the metrics by which success will be measured, and any assumptions, including financial, upon which the projected outcomes are predicated;~~
 - ~~(f) Unique opportunities that have presented themselves to the university but that have not been included in prior plans; and~~
 - ~~(g) Any other specific planning information requested by the Board of Governors in advance of the submission deadline.~~~~
- ~~(5) Each board of trustees shall submit to the Board of Governors a university annual report that describes progress against articulated goals and summarizes other key data, with accompanying narrative to highlight or explain information, when applicable.~~
- ~~(6) Each university's annual report shall include, at a minimum, the following:
 - ~~(a) An executive summary that captures key performance data required by the Board of Governors;~~
 - ~~(b) The university's mission and vision;~~
 - ~~(c) Summary information on budgets, enrollments, and other core resources;~~~~

- ~~(d) Reports on undergraduate education, graduate education, and research and economic development, as appropriate to the university's mission, including narrative to provide context and perspective on key goals, data trends, and university performance on metrics specified by the Board of Governors; and~~
- ~~(e) Any other specific performance information requested by the Board of Governors in advance of the submission deadline.~~

~~(7) The Chancellor shall provide universities with submission deadlines, as well as with content and format specifications, for work plans and annual reports.~~

~~(8) The Board of Governors shall submit an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives providing information on the State University System's performance on quality and effectiveness indicators in the areas of instruction, research, and public service.~~

Authority: Section 7(d), Art. IX, Fla. Const. History: New 11-12-2009. Revised mm-dd-yyyy.

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: New College of Florida 2018-2028 Strategic Plan

PROPOSED BOARD ACTION

Consider approval of the New College of Florida 2018-28 Plan

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 1.001(3)(c)

BACKGROUND INFORMATION

Board of Governors Regulation 1.001(3)(c) requires that each University Board of Trustees adopt a strategic plan in alignment with its mission and the Board of Governors' 2025 System Strategic Plan. University strategic plans are required to be submitted to the Board of Governors for approval. The New College of Florida 2018-28 Strategic Plan has been submitted for consideration to approve. The New College of Florida 2018-28 Strategic Plan was considered by the Strategic Planning Committee and the Committee Chair will provide a recommendation to the full Board of Governors.

Supporting Documentation Included:

Information located with the Strategic Planning Committee Materials

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: Florida Atlantic University 2015-2025 Strategic Plan

PROPOSED BOARD ACTION

Consider approval of the Florida Atlantic University 2015-2025 Strategic Plan

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 1.001(3)(c)

BACKGROUND INFORMATION

Board of Governors Regulation 1.001(3)(c) requires that each University Board of Trustees adopt a strategic plan in alignment with its mission and the Board of Governors' 2025 System Strategic Plan. University strategic plans are required to be submitted to the Board of Governors for approval. The Florida Atlantic University 2015-25 Strategic Plan has been submitted for consideration to approve. The Florida Atlantic University 2015-25 Strategic Plan was considered by the Strategic Planning Committee and the Committee Chair will provide a recommendation to the full Board of Governors.

Supporting Documentation Included:

Information located with the Strategic Planning Committee Materials

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: Amended Board of Governors Regulation 7.003 Fees, Fines and Penalties

PROPOSED BOARD ACTION

Approve amended Regulation 7.003

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation Development Procedure

BACKGROUND INFORMATION

This regulation is being updated to incorporate two changes:

1. House Bill 565, passed during the 2018 Legislative Session and signed into law by the Governor, requires a university to refund the excess hour surcharge assessed for up to 12 hours if the FTIC student graduates within four years.
2. Clarifies that the excess hour's determination shall be based on the degree program the student is enrolled and, if a student changes degree programs, the threshold shall be adjusted accordingly.

No public comments were received during the public notice period.

Supporting Documentation Included: Regulation 7.003

7.003 Fees, Fines and Penalties.

(1) The Board of Governors must authorize all fees assessed to students. Accordingly, the specific fees listed in this section, and the tuition and associated fees defined in Regulation 7.001, are the only fees that may be charged for state fundable credit hours without the specific approval of the board, except as authorized in Regulation 8.002. For purposes of clarification, the term "at cost" or "cost" as used in this regulation includes those increased costs that are directly related to the delivery of the goods, services, or programs.

(2) Each university board of trustees is authorized to assess the following fees at the statutory amounts listed:

- (a) Security / Access / Identification Card, Duplicate Security / Access / Identification Card, Fee Card, or Passbook:
 - 1. Annual – cost up to \$10.00.
 - 2. All duplicates – cost up to \$15.00
- (b) Orientation Fee – up to \$35.00.
 - 1. Effective fall 2011, the board of trustees of the University of West Florida may assess a \$50 Orientation Fee.
- (c) Admissions Deposit – Up to \$200. The admissions deposit shall be imposed at the time of an applicant's acceptance to the university and shall be applied toward tuition upon registration and budgeted in the Student and Other Fee Trust Fund. In the event the applicant does not enroll in the university, the admissions deposit shall be budgeted in an auxiliary account of the university and used to expand financial assistance, scholarships, student academic and career counseling services, and admission services at the university.
- (d) Transcript Fee – per item; up to \$10.00.
- (e) Diploma Replacement Fee – per item; up to \$10.00.
- (f) Service Charge – up to \$15.00 for the payment of tuition and fees in installments.
- (g) Audit Registration Fees -- Audit registration assures a course space for the student; however, no grade is awarded. This fee is the same as the tuition and associated fees provided in Regulation 7.001. Budgeting of fee proceeds shall be in the Student and Other Fee Trust Fund.
- (h) Registration of Zero Hours -- Such registration provides for examinations, graduations, use of facilities, etc., when deemed appropriate by the institution. The student is assessed tuition and associated fees for one credit hour. The Zero Credit Fee shall be budgeted in the Student and Other Fee Trust Fund.
- (i) Application Fee -- Individuals who make application for admission to universities within the State University System shall pay a non-refundable Application Fee of not more than \$30.00. The fee shall be budgeted in the

Student and Other Fee Trust Fund. Provisions may be made to waive the application fee as specified by the university.

- (j) Late Registration Fee -- Universities shall assess a Late Registration Fee to students who fail to register before the end of the regular registration period. This fee may also be assessed to students reinstated after their course schedules were cancelled due to non-payment of fees. The fee shall be not less than \$50 nor more than \$100 with a minimum of 50 percent budgeted to the Student and Other Fee Trust Funds and the balance budgeted in an Auxiliary Trust Fund. Provisions may be made to waive the Late Registration Fee as specified by the university.
- (k) Late Payment Fee -- Universities may assess a Late Payment Fee to students who fail to pay, or make appropriate arrangements for payment (installment payment, deferment, or third-party billing), of tuition and associated fees by the deadline set by each university. The fee shall be not less than \$50 nor more than \$100 with a minimum of 50 percent budgeted to the Student and Other Fee Trust Fund and the balance budgeted in an Auxiliary Trust Fund. Provisions may be made to waive the Late Payment Fee as specified by the university.

(3) Before the board's last meeting of each calendar year, the university board of trustees shall notify the board of any potential increases in fees outlined in subparagraph (2). A university board of trustees may then submit a proposal for an increase in that fee to the Board of Governors' budget committee for consideration by the committee during a June meeting.

- (a) The proposal shall be submitted in a format designated by the chancellor and include at a minimum:
 - 1. The current and proposed increase to the fee and a description of the process used to determine the need for the increase, including any student involvement.
 - 2. The service or operation currently being funded by the fee.
 - 3. An analysis of whether the service or operation can be performed more efficiently to alleviate the need for any increase.
 - 4. The additional or enhanced service or operation to be implemented.
 - 5. Identification of other resources that could be used to meet this need.
 - 6. The financial impact on students, including those with financial need.
 - 7. The current revenue collected and expenditures from the current fee.
 - 8. The estimated revenue to be collected and expenditures for the fee increase.
- (b) The board will act upon the budget committee recommendation at the next scheduled meeting.
- (c) An increase in these fees can only be implemented with the fall term.
- (d) Every five years the university board of trustees shall review the fee increase to determine if the fee has met its intended outcomes and whether the fee should be increased, decreased or discontinued. The

university board of trustees shall submit its findings to the board. Any subsequent decreases or continuation in these fees are delegated to the university board of trustees, with notification to the chancellor.

(4) Each university board of trustees is authorized to establish separate activity and service, health, and athletic fees on the main campus, branch campus, or center.

- (a) The fees shall be retained by the university and paid into the separate activity and service, health, and athletic funds. A university may transfer revenues derived from the fees authorized pursuant to this section to a university direct-support organization of the university pursuant to a written agreement approved by the Board of Governors.
- (b) The sum of the activity and service, health, and athletic fees a student is required to pay to register for a course shall not exceed 40 percent of the tuition. Within the 40 percent cap, universities may not increase the aggregate sum of activity and service, health, and athletic fees more than 5 percent per year or the same percentage increase in tuition, whichever is higher.
- (c) A university may increase its athletic fee to defray the costs associated with changing National Collegiate Athletic Association divisions. Any such increase in the athletic fee may exceed both the 40 percent cap and the 5 percent cap imposed by this subsection. Any such increase must be approved by the athletic fee committee in the process outlined in subparagraph (4)(d) and cannot exceed \$2 per credit hour.
- (d) Increases in the health, athletic, and activity and service fee must be recommended by a fee committee, at least one-half of whom are students appointed by the student body president. The remainder of the committee shall be appointed by the university president. A chairperson, appointed jointly by the university president and the student body president, shall vote only in the case of a tie. The recommendations of the committee shall take effect only after approval by the university president, after consultation with the student body president, and approval by the university board of trustees. An increase in these fees may occur only once each fiscal year and must be implemented beginning with the fall term.
- (e) The student activity and service fee shall be expended for lawful purposes to benefit the student body in general. This shall include, but shall not be limited to, student publications and grants to duly recognized student organizations, the membership of which is open to all students at the university without regard to race, sex, or religion. The fee may not benefit activities for which an admission fee is charged to students, except for student-government-association-sponsored concerts. The allocation and expenditure of the fees shall be determined by the student government association of the university, except that the president of the university may veto any line item or portion thereof within the budget when

submitted by the student government association legislative body. The university president shall have 15 school days from the date of presentation of the budget to act on the allocation and expenditure recommendations, which shall be deemed approved if no action is taken within the 15 school days. If any line item or portion thereof within the budget is vetoed, the student government association legislative body shall within 15 school days make new budget recommendations for expenditure of the vetoed portion of the fees. If the university president vetoes any line item or portion thereof within the new budget revisions, the university president may reallocate by line item that vetoed portion to bond obligations guaranteed by activity and service fees.

- (f) Unexpended fees and undisbursed fees remaining at the end of a fiscal year shall be carried over and remain in the student activity and service fund and be available for allocation and expenditure during the next fiscal year.

(5) Technology Fee – Each university board of trustees may establish a technology fee to be paid by all students. The fee may be up to 5 percent of the tuition charged per credit hour. The revenue from this fee shall be used to enhance instructional technology resources for students and faculty. The revenue and expenditures shall be budgeted in the Local Fund budget entity.

(6) Off-Campus Educational Activities - As used herein, "off-campus" refers to locations other than state-funded main campuses, branch campuses, or centers. Each university board of trustees is authorized to establish fees for state fundable off-campus course offerings when the location results in specific, identifiable increased costs to the university. These fees will be in addition to the tuition and associated fees charged to students enrolling in these courses on-campus. The additional fees charged are for the purpose of recovering the increased costs resulting from off-campus vis-à-vis on-campus offerings. The university shall budget the fees collected for these courses to the Student and Other Fee Trust Funds. Each university shall use the additional fees collected to cover the increased cost of these courses and reimburse the appropriate Educational and General fund, or other appropriate fund if the costs are incurred in other than Educational and General funds.

(7) Material and Supply Fees - Each university board of trustees is authorized to assess Material and Supply Fees not to exceed the amount necessary to offset the cost of materials or supply items which are consumed in the course of the student's instructional activities, excluding the cost of equipment and equipment repairs and maintenance. Revenues from such fees shall be budgeted in the Auxiliary Trust Fund.

(8) Housing Rental Rates – Basic rates for housing rental shall be set by each university board of trustees. In addition, the university board of trustees is authorized to establish miscellaneous housing charges for services provided by the university at the request of the students.

(9) Parking Fines, Permits and Decals -- Each university board of trustees shall establish charges for parking decals, permits and parking fines.

(10) Transportation Access Fee - Each university board of trustees is authorized to establish a transportation access fee, with appropriate input from students, to support the university's transportation infrastructure and to increase student access to transportation services.

(11) Returned Check Fee -- Each university board of trustees shall assess a service charge for unpaid checks returned to the university.

(12) Collection costs -- Each university board of trustees is authorized to assess a charge representing reasonable cost of collection efforts to effect payment for overdue accounts. Amounts received for collection costs shall be retained by the university.

(13) Service Charge -- Each university board of trustees is authorized to assess a service charge on university loans in lieu of interest and administrative handling.

(14) Educational Research Center for Child Development Fee -- Each university board of trustees is authorized to assess child care and service fees.

(15) Transient Student Fee – Each university board of trustees is authorized to assess a fee not to exceed \$5.00 per course for accepting a transient student and processing the student's admissions application pursuant to Section 1006.73.

(16) Capital Improvement Fee – This fee may be used to fund any project or real property acquisition that meets the requirements of Chapter 1013. Each university board of trustees shall assess \$4.76 per credit hour per semester. Any increase in the fee beyond \$4.76 must be first recommended by a fee committee, at least half of whom are students appointed by the student body president. The remainder of the committee shall be appointed by the university president. A chairperson, appointed jointly by the university president and the student body president, shall vote only in the case of a tie. The recommendations of the committee shall take effect only after approval by the university president, after consultation with the student body president, and approval by the university board of trustees. An increase in these fees may occur only once each fiscal year and must be implemented beginning with the fall term. The fee may not exceed 10 percent of the tuition for resident students or 10 percent of the sum of tuition

and out-of-state fees for nonresident students. The fee for resident students shall be limited to an increase of \$2 per credit hour over the prior year, and any proposed fee increases or decreases must be approved by the Board of Governors. No project proposed by a university which is to be funded by this fee shall be submitted to the Board of Governors for approval without prior consultation with the student government association of that university.

(17) Student Financial Aid Fee – Each university board of trustees is authorized to collect for financial aid purposes an amount not to exceed 5 percent of the tuition and out-of-state fee. The revenues from fees are to remain at each university. A minimum of 75 percent of funds from the student financial aid fee shall be used to provide financial aid based on demonstrated financial need. Each university shall report annually to the Board of Governors on the revenue collected pursuant to this subsection, the amount carried forward, the criteria used to make awards, the amount and number of awards for each criterion, and a delineation of the distribution of such awards. The report shall include an assessment by category of the financial need of every student who receives an award, regardless of the purpose for which the award is received. Awards which are based on financial need shall be distributed in accordance with the federal methodology for determining need. An award for academic merit shall require a minimum overall grade point average of 3.0 on a 4.0 scale or the equivalent for both initial receipt of the award and renewal of the award.

(18) Each university board of trustees is authorized to assess the following fees which will have varied amounts:

- (a) Development Research School Fees – activity fees which shall be discretionary with each university.
- (b) Library Fines – per book or unit, per day; the funds shall be budgeted to the Student and Other Fee Trust Fund.
- (c) Overdue Reserve Library books – per book, per library hour; the funds shall be budgeted to the Student and Other Fee Trust Fund.
- (d) Late Equipment Fee, Physical Education – per item, per day.
- (e) Fees and fines relating to the use, late return, and loss and damage of facilities and equipment.
- (f) Distance Learning Fee - Universities may assess a distance learning fee to any student enrolled in a course listed in the distance learning catalog. The average distance learning fee amount assessed by a state university may not exceed \$30 per credit hour.

(19) Each university board of trustees is authorized to assess reasonable fees for incidental non-academic services provided directly to individuals. This could include, but not be limited to, fees for duplicating, lost keys, copyright material, breakage, standardized tests, library loans.

(20) Each university board of trustees is authorized to assess an international student service fee to cover the university costs associated with reporting requirements of the Student and Exchange Visitor Information System administered by the Department of Homeland Security for F-Visa and J-Visa degree seeking students.

(21) Excess Hour Fee –This fee shall be budgeted in the Student and Other Fee Trust Fund.

- (a) All state university undergraduate students who entered a postsecondary undergraduate program at any Florida public institution of higher education as a first-time-in-college student in fall 2009 or thereafter and prior to fall 2011 shall pay an excess hour fee equal to 50 percent of the undergraduate tuition identified in Regulation 7.001(3) for each credit hour in excess of 120 percent of the number of credit hours required to complete the baccalaureate degree program in which the student is enrolled.
- (b) All state university undergraduate students who entered a postsecondary undergraduate program at any Florida public institution of higher education as a first-time-in-college student in fall 2011 and prior to fall 2012 shall pay an excess hour fee equal to 100 percent of the undergraduate tuition identified in Regulation 7.001(3) for each credit hour in excess of 115 percent of the number of credit hours required to complete the baccalaureate degree program in which the student is enrolled.
- (c) All state university undergraduate students who entered a postsecondary undergraduate program at any Florida public institution of higher education as a first-time-in-college student in fall 2012 or thereafter shall pay an excess hour fee equal to 100 percent of the undergraduate tuition identified in Regulation 7.001(3) for each credit hour in excess of 110 percent of the number of credit hours required to complete the baccalaureate degree program in which the student is enrolled. Effective July 1, 2018 each university shall refund the excess hour surcharge assessed for up to 12 credit hours to any first-time-in-college student who completes a baccalaureate degree program within four years after their initial enrollment in a university.
- (d) Each university shall implement a process for notifying students of this fee upon a student's initial enrollment. A second notice must be provided to the student when the student has attempted the number of credit hours needed to complete the baccalaureate degree program in which the student is enrolled. The second notice must include a recommendation that each student who intends to earn credit hours at the university in excess of the credit hours required for the baccalaureate degree program in which the student is enrolled meet with the student's academic advisor. The excess hours' determination

shall be based on the baccalaureate degree program in which the student is enrolled. If a student changes degree programs, the excess hours' threshold shall be adjusted to the new program's required hours. Pursuant to Regulation 7.002(1), the university shall establish regulation procedures for the implementation of this section.

- (e) All credit hours for courses taken at the university from which the student is seeking a baccalaureate degree shall be included when calculating the number of hours taken by a student, including:
 - 1. Failed courses.
 - 2. Courses dropped or withdrawn from after the university's advertised last day of the drop and add period, except as provided for in subparagraph (21)(f).
 - 3. Repeated courses, except repeated courses for which the student has paid the full cost of instruction as provided in Regulation 7.001(11).
 - 4. All credit hours earned at another institution and accepted for transfer by the university and applied toward the student's baccalaureate degree program.
- (f) All credit hours earned under the following circumstances shall not be calculated as hours required to earn a baccalaureate degree:
 - 1. College credits earned through an articulated accelerated mechanism.
 - 2. Credit hours earned through internship programs.
 - 3. Credit hours required for certification, recertification, or certificate programs.
 - 4. Credit hours in courses from which a student must withdraw due to reasons of medical or personal hardship.
 - 5. Credit hours taken by active-duty military personnel.
 - 6. Credit hours required to achieve a dual major taken while pursuing a baccalaureate degree.
 - 7. Remedial and English as a Second Language credit hours.
 - 8. Credit hours earned in military science courses that are part of the Reserve Officers' Training Corps program.

(22) Convenience fee – Each university board of trustees may establish a convenience fee when accepting payments by credit cards, charge cards, and debit cards. The fee shall not be greater than the cost of providing the service. The fee is not refundable to the payor.

(23) Before the Board of Governors' last meeting of each calendar year, the university board of trustees shall notify the board of any potential new fees that are being considered by the university. A university board of trustees may then submit a proposal for a new fee not currently authorized in board regulation or

statute to the Board of Governors' budget committee for consideration by the committee during a June meeting.

(a) The proposal shall be submitted in a format designated by the chancellor, and include at a minimum:

1. The purpose to be served or accomplished with the fee.
2. The demonstrable student-based need for the fee that is currently not being met through existing university services, operations or another fee.
3. The process used to assure substantial student input or involvement.
4. Any proposed restrictions, limitations, or conditions to be placed on the fee.
5. The financial impact of the fee on students, including those with financial need.
6. The estimated revenue to be collected and proposed expenditures for the new fee.
7. The outcome measures that will be implemented to determine when the purpose of the fee will be accomplished.

(b) The aggregate sum of any fees approved by the board that a student is required to pay to register for a course shall not exceed 10 percent of tuition. All other fees shall be based on cost.

(c) The fee can only be implemented in the fall term.

(d) The revenue generated by this fee may not be transferred to an auxiliary enterprise or a direct-support organization and may not be used to pay or secure debt.

(e) The university shall account for the revenue and detailed expenditures of this fee in the Annual Report.

(f) The fee cannot be an extension of, or cover the same services, as an existing statutory fee.

(g) The fee cannot be utilized to create additional bonding capacity in an existing fee.

(h) The fee should support a new service or activity that is not currently supported or should be supported with education and general funds (state and tuition).

(i) The fee shall not supplant revenue from other sources that are currently used or have been used to support a service or activity.

(j) The fee should support a service or activity in which a majority of students is able to participate or from which derive a benefit.

(k) Once the board approves a fee under this section, a university fee committee shall be established similar to other existing fee committees.

(l) The board will act upon the budget committee recommendation at the next scheduled meeting.

(m) Every five years the university board of trustees shall review the fee to determine if the fee has met its intended outcomes and whether the fee

should be increased, decreased or discontinued. The university board of trustees shall submit its findings to the board. Any subsequent decreases or continuation in these fees are delegated to the university board of trustees, with notification to the chancellor.

(n) If a university board of trustees' proposal is denied, within five calendar days the university board of trustees may request reconsideration by the board's Tuition Appeals Committee, which shall consist of the chair of the board and the chair of each board committee. The Tuition Appeals Committee will meet within ten calendar days after the Board of Governors denial to consider a university board of trustees request for reconsideration.

(24) Pursuant to subparagraph (23), the university boards of trustees designated below are authorized to assess the following fees:

(a) Green Fee – This fee may be assessed to establish or improve the use of renewable energy technologies or energy efficiencies that lower the university's greenhouse emissions.

1. University of South Florida: up to \$1.00 per credit hour
2. New College of Florida: up to \$1.00 per credit hour
3. University of West Florida: up to \$1.00 per credit hour

(b) Test Preparation Fee – at cost. This fee may be assessed to increase accessibility to test preparation courses in programs where students are expected to obtain specific preparation for a practice-based examination.

1. Florida International University
2. Florida A&M University – (bar test preparation)

(c) Student Life and Services Fee – This fee may be assessed to expand student participation in transformational learning opportunities that build new and enhances ongoing activities which connect students to the institution.

1. University of North Florida: not to exceed 5 percent of tuition.

Authority: Section 7(d), Art. IX, Fla. Const.; History–Formerly BOR Rule 6C-7.003. Derived from 6C-2.74 and 6C-2.76, Amended and Renumbered 12-17-74, Amended 2-22-76, 6-22-76, 6-28-76, 11-1-76, 9-8-77, 2-14-79, 9-28-81, 12-7-82, 12-13-83, 10-2-84, Formerly 6C-7.03, Amended 1-8-86, 8-11-86, 12-25-86, 6-2-87, 10-17-89, 4-10-90, 1-7-91, 7-2-91, 9-15-91, 8-4-92, 11-9-92, 4-12-93, 5-30-93, 9-23-93, 8-1-94, 1-24-96, 4-16-96, 12-15-97, 8-28-00, 8-12-01, Amended and Renumbered as 7.003 9-25-08, Amended 12-10-09, 11-04-10, 9-15-11, 6-21-12, 11-08-12, 11-21-13, 9-22-16, _____.

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: Amended Board of Governors Regulation 9.011 University Direct Support Organizations and Health Services Support Organizations

PROPOSED BOARD ACTION

Approve amended Regulation 9.011

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation Development Procedure

BACKGROUND INFORMATION

This regulation is being updated to incorporate changes to direct support organizations (DSO) as approved in Senate Bill 4 during the 2018 Legislative Session. Highlights include:

1. Requires Boards of Trustees to set thresholds for approval of purchases, acquisitions, projects, and issuance of debt.
2. Effective July 1, 2019, only funds pledged for capital outlay can be transferred to a DSO.
3. Effective July 1, 2019, and annually thereafter, each university shall report to the Legislature the amount of state appropriations transferred to any DSO.
4. State funds cannot be used for DSO travel expenses.
5. The Chair of the Board of Trustees shall appoint at least one representative to the DSO board.
6. Personal services used by the DSO are subject to the \$200,000 remuneration cap in section 1012.976, Florida Statutes.

No public comments were received during the public notice period.

Supporting Documentation Included: Regulation 9.011

9.011 University Direct Support Organizations and Health Services Support Organizations

(1) University boards of trustees may establish direct support organizations (“DSO”) and health services support organizations and certify them to use university property, facilities and personal services. Such support organizations shall be organized and operated to serve the best interests or missions of the university, including a university’s research, education and service missions, and may receive, hold, invest, and administer property and make expenditures to or for the benefit of the university or for the benefit of a research and development park or research and development authority affiliated with a university.

(2) Each board of trustees shall establish by regulation conditions with which a support organization must comply in order to use university property, facilities, or personal services and such additional conditions, controls, and requirements for support organizations as each board deems appropriate to provide for budget and audit review and oversight. In addition, the regulation must include the following conditions:

- (a) The establishment of appropriate thresholds that delineate when approval by the board of trustees is required for the purchase of goods and services by a DSO.
- (b) All debt issued by a DSO is subject to the State University System Debt Management Guidelines and all public-private partnership transactions involving a DSO are subject to the State University System Public-Private Partnership Guidelines.
- (c) The establishment of appropriate thresholds that delineate when approval is required by the board of trustees for the acquisition of real property and the construction or renovation of facilities by a DSO.
- (d) University personal services used by a DSO are subject to the remuneration requirements set forth in section 1012.976, Florida Statutes.
- (e) A DSO is prohibited from using state funds for travel expenses incurred by the DSO.
- (f) A DSO is prohibited from giving, either directly, or indirectly, any gift to a political committee as defined in section. 106.011 Florida Statutes, for any purpose.

(23) The Director or Chief ~~Executive~~ Operating Officer of the support organization shall report to the University President or designee.

(34) Operating budgets of support organizations shall be prepared at least annually, and approved by the organization’s governing board and the university board of trustees ~~or designee~~. Significant changes in planned expenditures in the approved budget must be reported to the university board of trustees ~~or designee~~ as soon as practicable but no later than the deadline established by a board of trustees.

(45) Support organizations shall provide for an annual audit conducted pursuant to university regulations or policies. The annual audit report shall be submitted to the university board of trustees for review. The ~~approved~~ audit report shall be submitted to the Board of Governors, and the Auditor General. The university board of trustees or designee, the Board of Governors, the Auditor General, and the Office of Program and Policy Analysis and Government Accountability may require and receive any records relative to the operation of a support organization from the organization or its independent auditors.

(56) Each support organization shall submit its federal Internal Revenue Service application for Recognition of Exemption form (Form 1023) and its federal Internal Revenue Service Return of Organization Exempt from Income Tax form (Form 990) to the university board of trustees or designee at the times required by the applicable regulation or policy of the board of trustees. Copies of such forms shall be provided by each university to the Board of Governors.

(7) As of July 1, 2019, any transfer of a state appropriation to a DSO is limited to funds pledged for capital projects.

- (a) This regulation does not prohibit the transfer of non-state funds between university DSOs, or the transfer of non-state funds to the DSO, as long as the original source of funding was not a state appropriation.
- (b) A DSO may transfer funds and provide the use of DSO property, facilities or personal services without any charge to the university.
- (c) Effective for fiscal 2018-2019, and annually thereafter, each university will report to the Legislature and the Board of Governors all transfers of state funds to each university DSO, using the format and instructions specified by the Chancellor.

(8) A support organization shall provide equal employment opportunities to all persons, regardless of race, color, national origin, sex, religion, age, disability, marital status, veteran status, or any other basis protected by law.

(89) The chair of the university board of trustees shall appoint at least one representative to each DSO board of directors and executive committee (if any). The university president or designee shall also serve on the board of directors and executive committee of each DSO. The university board of trustees shall approve all appointments to any DSO board other than the chair's representative(s) or the president or president's designee. The chair's designee may not be the university president; nor may the chair and president appoint the same person to represent both the chair and the president on any one DSO board.

(610) University boards of trustees shall decertify a support organization if the university board of trustees or designee determines that the organization is no longer serving the best interest or mission of the university and decertification is appropriate.

In decertifying a support organization, the board of trustees shall require an accounting of the organization's assets and liabilities and take such reasonable action as necessary to secure the return of all university property and facilities as requested by the university.

Authority: Section 7(d), Art. IX, Fla. Const., History – Formerly 6C-3.12, 11-18-70, Amended and Renumber 12-17-74, Amended 4-14-76, 6-25-80, 8-11-85, Formerly 6C-9.11, Amended 9-28-86, 2-13-89, 4-10-90, 12-9-91, 8-1-94, 4-16-96, Amended and Renumbered 8-6-09, Amended XX-XX-XX.

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: Performance-Based Funding Model

PROPOSED BOARD ACTION

Review and consider changes to the performance-based funding model.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The Board adopted a performance-based funding model in January 2014 based on 10 metrics.

The Committee held a workshop on October 16 to review and provide guidance on potential changes to the model.

The following issues were discussed during the workshop:

1. Setting Deadline for Data Submissions
2. Schedule of Changes in Common Metrics
3. Rounding Data Scores
4. Metric 1 – Percent of Bachelor’s Graduate Enrolled or Employed
5. Metric 10 – Board of Trustees Choice Metric
6. Allocation Methodologies

A list of the metrics are attached and further information will be provided during the meeting.

Supporting Documentation Included: Information located in the Budget & Finance Committee Material

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: 2019-2020 Legislative Budget Request Update

PROPOSED BOARD ACTION

Consider any changes to the 2019-2020 operating Legislative Budget Request for the State University System and allow the Chancellor to make technical changes as necessary.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Section 216.023 Florida Statute

BACKGROUND INFORMATION

The Board of Governors approved the 2019-2020 legislative budget request at the September 13, 2018, meeting. The request totals \$5.1 billion, which is an increase of \$178 million (3.5 percent) over the prior year.

Consideration will be given to any new issues that may be presented to the Committee.

Supporting Documentation Included: Information located in the Budget & Finance Committee Material

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

November 8, 2018

SUBJECT: University Carryforward

PROPOSED BOARD ACTION

Consider a new transparent process for the use of university carryforward funds.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Section 216.023, Florida Statute

BACKGROUND INFORMATION

Prior to 1985, universities, like other state agencies, did not have the ability to carryforward unexpended funds appropriated in a given fiscal year. Unexpended funds were returned to the state.

In 1985, Florida Statute Section 240.272, Carryforward of Unexpended Funds, was created which allowed:

Any unexpended funds in the current year budget shall be carried forward by the university to which the funds were allocated. (1) Such carryforward shall not exceed five percent of the total operating budget of the university. Funds carried forward pursuant to this section shall be expended for nonrecurring expenses as approved by the Board of Regents. (2) No university shall be penalized in the allocation of subsequent funds as a result of the carryforward of an unexpended balance.

In 1994, Florida Statute Section 240.272, was revised to provide greater flexibility:

Building an escrow account for major equipment purchases; scientific, technical, or other equipment; matching challenge grant programs; library resources; minor repairs, renovations, or maintenance; major studies or planning processes; maintaining access to course offerings in the event of a revenue shortfall; and expanding access to course offerings approved by the Board of Regents.

In 2002, as a part of the educational reorganization, the statute was changed to Florida Statute Section 1011.45, End of Year Balance of Funds, eliminating the five percent limit.

Unexpended amounts, in any fund in a university current year operating budget, shall be carried forward and included as the balance forward for that fund in the following year.

Additionally, Florida Statute Section 1011.40(2) placed a five percent floor on unencumbered balances:

If at any time the unencumbered balance in the education and general fund of the university board of trustees approved operating budget goes below five percent, the president shall provide written notification to the Board of Governors.

Since 2012, most university carryforward balances have continued to increase. A plan will be implemented to provide greater transparency and accountability on the use of carryforward funds. This plan will restrict the use of carryforward funds for specific strategic initiatives.

Supporting Documentation Included: Information located in the Budget & Finance Committee Material