

Board of Governors

2011 End of Session Summary

Board of Governors State University System of Florida 2011 End of Session Summary

Issue 1: Salary Provisions for the State University System (SB 2150 Conforming Bill)

The provision limits state support for salaries of presidents and administrators at universities to \$200,000 instead the current \$225,000. The \$200,000 limit expires June 30, 2012 and the \$225,000 limit becomes effective again on July 1, 2012.

Issue 2: Salary Provisions for the Board of Governors General Office (General Appropriations Act)

Specific appropriation 130 in the budget limits the state funded portion of the salary of any employee of the Board of Governors to no more than \$200,000. The Board would still be allowed to have and operate a foundation and it could use non-state funds to supplement employee salaries. The \$200,000 limit expires June 30, 2012.

Issue 3: Board of Governors Substantive Legislative

Concurrency (SB 632): The initial version of bill included a provision to reestablish the funding mechanism for the University Concurrency Trust Fund but was amended out of the bill. Other components of the bill were included in SB 2150 or HB 7151.

Rules to Regulations (SB 2150 Conforming Bill): The conforming bill also includes language that recognizes the regulation process of the Board of Governors in lieu of rules as outlined in the governance agreement. Eight of the ten recommended changes are in the bill while two were withheld pending further discussion on appropriateness.

Summer Term Attendance (HB 7151 and SB 2150): In order to improve the use of university facilities during summer terms HB 7151 repeals subsection (10) of section 1007.27, Florida Statutes effective July 1, 2011. This portion of law prohibits universities from requiring students to attend summer term if they earned 9 or more college credits through accelerated mechanisms such as AP, IB and others. As a result of the repeal universities may require all students to attend summer term as provided by regulation of the Board of Governors. Additionally, SB 2150 authorizes a pilot at the University of Florida which would admit students to spring and summer term. Students who qualify for Bright Futures and are admitted into the pilot program can have their Bright Futures awards applied to their summer term attendance.

Issue 4: Suspension of Matching for University Major Gifts Program (SB 2150 Conforming Bill)

Beginning July 1, 2011 the state match for facilities and operating challenge grant programs will be suspended. The program will resume once \$200 million of the eligible donations are matched. Existing eligible donations will remain eligible for future match.

Issue 5: Expenditure of Carry Forward for Fixed Capital Outlay (SB 2150 Conforming Bill)

A university board of trustees will be authorized to expend carry-forward balances from prior year operational appropriations on legislatively approved fixed capital outlay projects which have been authorized for the establishment of a new campus.

Issue 6: Student representative to the Board of Governors (DID NOT PASS)

House Joint Resolution 1359 did not pass. It would have placed a Constitutional amendment on the general election ballot to give the Governor the authority to appoint a student government president to the Board of Governors. Currently the student representative is chosen by the students who are members of the Florida Student Association. The resolution passed all of its House committee references but was never heard in any of the four committees of reference in the Senate.

Issue 7: Higher Education Coordinating Council (HB 7151)

The bill provides more specificity to the work of the Higher Education Coordinating Council. The Council was established during the 2010 Legislative session to make recommendations related to the collaboration on delivery of higher education in Florida among the various sectors. Most significantly, the Council will be required to make recommendations regarding the roles of the various higher education sectors (SUS, Florida College System, ICUF, for-profit colleges and universities). The Council must provide recommendations on performance outputs and outcomes designed to meet annual and long-term state goals, including, but not limited to, increased student access, preparedness, retention, transfer, and completion. The Council must also make recommendations on the state's articulation policies and practices, and a plan for workforce education. The Council must submit its report outlining its detailed recommendations to the Governor, the President of the Senate, the Speaker of the House of Representatives, the Board of Governors, and the State Board of Education by December 31, 2011, which specifically includes recommendations for consideration by the Legislature for implementation in the 2012-2013 fiscal year.

Issue 8: Articulation Coordinating Committee (HB 7151)

The bill requires the Commissioner of Education, in consultation with the Chancellor of the State University System, to establish the Articulation Coordinating Committee which shall make recommendations related to statewide articulation policies to the Higher Education Coordination Council, the State Board of Education, and the Board of Governors. Monitor alignment of exit and entry criteria between institutions across sectors, propose guidelines for inter-institutional agreements, annually review the statewide articulation agreement for revision, annually publish a list of courses that meet common general education and common degree program prerequisite requirement and make recommendations to improve articulation throughout the K-20 education system.

Issue 9: Retirement (SB 2100)

- 1. Effective July 1, 2011, all employees participating in FRS will be required to contribute 3%. DROP participants are not required to pay employee contributions.
- 2. For employees initially enrolled on or after July 1, 2011, the definition of "average final compensation" means the average of the 8 highest fiscal years of compensation for creditable service prior to retirement, for purposes of calculation of retirement benefits. For employees initially enrolled prior to July 1, 2011, the definition of "average final compensation" continues to be the average of the 5 highest fiscal years of compensation.
- 3. For employees initially enrolled in the pension plan on or after July 1, 2011, such members will vest in 100% of employer contributions upon completion of 8 years of creditable service. For existing employees, vesting will remain at 6 years of creditable service.
- 4. For employees initially enrolled on or after July 1, 2011, the normal retirement age and years of service requirements increase as follows:
 - For Special Risk Class: Increases the age from 55 to 60 years of age; and increases the years of creditable service from 25 to 30.
 - For all other classes: Increases the age from 62 to 65 years of age; and increases the years of creditable service from 30 to 33 years.
- 5. Maintains DROP; however, employees entering DROP on or after July 1, 2011 will earn interest at a reduced accrual rate of 1.3%. For employees currently in DROP or entering before July 1, 2011, the interest rate remains 6.5%.
- 6. Eliminates the cost-of-living adjustment (COLA) for service earned on or after July 1, 2011. Subject to the availability of funding and the Legislature enacting sufficient employer contributions specifically for the purpose of funding the reinstatement of the COLA, the new COLA formula will expire effective June 30, 2016, and the current 3% cost-of-living adjustment will be reinstated.

Issue 10: Medicaid Reform and Its Effect on Medical Schools

The Legislature passed Medicaid reform which will convert the program to a managed care system. The state's medical schools were concerned that changes would make the medical schools ineligible to continue receiving about \$100 million in federal matching funds for physician supplemental payments. Medical schools need to be able to continue their fee for service models while a federal waiver is sought to allow the supplemental payments under a capitated or fee per patient Medicaid system. The language that passed addresses most of the concerns raised by the medical schools.

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Issue 11: Fee Flexibility (SB 2150 Conforming Bill)

Universities will be allowed to use any unused portion of the 30% of tuition differential that was set aside for need based aid for other undergraduate purposes if the university has met all of the tuition and fee needs of resident students who applied for and received a Pell grant.

Issue 12: Library Automation (SB 2150 Conforming Bill)

By January 1, 2012, the Chancellors of the State University System and the Florida College System must submit a plan to the Governor and to the legislative appropriations committees for establishing a joint library organization that replaces the Florida Center for Library Automation and the College Center for Library Automation, which will address the needs of academic libraries in the State University System and the Florida College System. The plan must include a proposed governance structure, staffing, and budget for the new organization, as well as the process and schedule for acquiring the next generation library management system. Any substantive or fiscal policy changes deemed necessary are to be included in the report.

Issue 13: Guns on University and College Campuses (SB 234)

SB 234 originally would have allowed people with gun permits to carry their guns on university campuses. The version which passed was amended to remove the provisions meaning that current law prohibiting guns on campuses remains the law.

Issue 14: Transient Student Admission Application Process (SB 2150 Conforming Bill)

Beginning with the 2011-2012 academic year, there will be in place a common application process for transient degree seeking students in public postsecondary institutions who take distance learning courses through the Florida Higher Education Distance Learning Catalog. Implementation of a transient student admission application process will include admissions, readmissions, financial aid, and transfer of credit functions. By July 1, 2012, there must be an interface between the institutional system and the Florida Academic Counseling and Tracking for Students system in order to electronically send, receive, and process the transient admissions application.

The central depository must allow public school and postsecondary educational institution users faculty to search, locate, and use, and contribute digital and electronic instructional resources and content. The bill authorizes a fee of \$5 to support the system.

Issue 15: Northwest Regional Data Center (SB 2150 Conforming Bill)

Florida State University's Northwest Regional Data Center is currently designated by written agreement as a primary data center for state government agencies. The bill codifies the designation in statute. Conditions are imposed on the Northwest Regional Data Center with regard to its state agency customers, including providing fiscal information to the Board of Governors on an annual basis.

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Issue 16: Licensing Electronic Library Resources (SB 2150 Conforming Bill)

The chancellors and vice chancellors of the Florida College System and the State University System must annually report to the Governor and the chairs of the legislative appropriations committees the cost savings realized as a result of the collaborative licensing process of library resources.

Issue 17: Documentation for Combat Decorated Veterans Receiving Tuition Waivers (SB 2150 Conforming Bill)

Current law requires that combat veterans who have earned a purple heart or higher commendation provide a copy of form DD-214 to the institution. Sometimes the veteran is unable to provide the form and therefore cannot get the tuition waiver. This bill allows veterans who are unable to provide form DD-214 may provide other documentation which is acceptable to the Department of Defense or the Department of Veterans Affairs. Such other documentation allows the veteran to receive the tuition waiver.

Issue 18: Excess Hours (SB 2150 Conforming Bill)

The threshold for determining whether a student is taking excess credit hours will be reduced from 120 percent of the credit hours required for their program to 115 percent of the credit hours required for their program. In addition, the surcharge for excess hours is increased to 100 percent of the credit hour charge instead of the current 50 percent. The new standards will apply to students who enter the institution in the 2011-2012 academic year.

Issue 19: Bright Futures (SB 2150 Conforming Bill)

Previous statutory changes raised the qualifying score for the Medallion scholarship to 1050 on the SAT beginning with students who graduate in the 2013-2014 academic year. This bill sets the standard to be achieved by those students to 1170. Those same students must earn 26 on the ACT instead of the currently anticipated 23 on the ACT. For students whose parents cannot document a college preparatory curriculum a score of 1220 on the SAT or 27 on the ACT. For any student to be eligible for a Bright Futures award they must submit Free Application for Federal Student Aid which is complete and error free prior to disbursement.

Issue 20: Utilization Study (proviso)

The State Board of Education and Board of Governors shall identify the percent of day, evening, and weekend utilization of higher education classroom facilities to accurately determine space needs. The data shall be reviewed and recommendations developed for a revised funding formula or potential policy changes to increase evening and weekend utilization. The report shall be completed and submitted to the House, Senate and Governor by January 15, 2012.

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Issue 21: Confirmation of Appointees to University Boards of Trustees

The Florida Senate confirmed 25 of 27 appointees made by the Governor and the Board of Governors. The two appointees not considered by the Senate were appointees of Board of Governors, one to the University of North Florida and one to Florida International University.

Board of Trustees, Florida A & M University Appointees:	Board of Trustees, Florida International University Appointee:
Alston, Torey L. 01/06/2015 Dent, Richard A., III 01/06/2016 McWilliams, Spurgeon W. 01/06/2016	Maury, Albert R. 01/06/2016 Puig, Claudia 01/06/2016
White, Karl E. 01/06/2016 Lawson, Kelvin L. 01/06/2016 Montgomery, Rufus N., Jr. 01/06/2016	Board of Trustees, New College of Florida Appointees:
Shannon, Belinda R. 01/06/2016	Coleman, Audrey R. 01/06/2016 Ruiz, Mary 01/06/2016
Board of Trustees, Florida Atlantic University Appointees:	Board of Trustees, University of South Florida Appointees:
Stilley, Robert J. 01/06/2016 Tanner, Paul C. 01/06/2016	Goforth, Stephanie E. 01/06/2016 Saco, Louis S. 01/06/2016
Board of Trustees, Florida State University Appointee:	Board of Trustees, University of West Florida Appointee:
Burr, Edward E. 01/06/2016	O'Sullivan, John Mortimer, III 01/06/2015
Board of Trustees, Florida State University Appointee:	O'Connor, Susan K.
Camps, Joseph L. 01/06/2016	Board of Trustees, University of Central Florida Appointees:
Board of Trustees, Florida Gulf Coast University Appointees:	Calvet, Olga M. 01/06/2016 Crotty, Richard T. 01/06/2015 Florez, Alan 01/06/2016
Catti, Joseph R. 01/06/2016 Wells, Robert A., III 01/06/2016	Board of Trustees, Florida Gulf Coast University Appointee:
	Hart, Larry D. 01/06/2016