

**State University System
Florida Board of Governors
2012-13 Legislative Budget Request Development
Policy Guidelines**

Pursuant to Section 7, Article 9 of the Florida Constitution, the Board "...shall operate, regulate, control, and be fully responsible for the management of the whole university system." Included within this responsibility is the development of a Legislative Budget Request (LBR). In addition, Section 216.023(1), Florida Statutes, requires the submission of a LBR to the Legislature and Governor based on an independent judgment of needs.

The 2012-2013 LBR shall be need-based and will provide flexibility for the Board of Governors (Board) and universities' boards of trustees to jointly manage the system to meet the critical needs of the state, achieve the statewide goals and objectives of the State University System (SUS) Strategic Plan, address specific institutional issues as outlined in the university work plans, and demonstrate accountability/ justification. The following goals and objectives of the SUS Strategic Plan will be addressed in the request:

1. Access to and production of degrees
2. Meeting statewide professional and workforce needs
3. Building world-class academic programs and research capacity
4. Meeting community needs and fulfilling unique institutional missions

These System goals and objectives, as well as institutional goals and initiatives outlined in university work plans, should be incorporated into the following priorities, which will be reflected in the LBR:

Operating and Specialized Program Funds:

1. Continuing costs associated with existing programs - This policy addresses the funds needed to continue existing programs.
 - a. Administered Funds - Funds will be requested for the annualization associated with the 2011-2012 change in employee salary and benefits, if appropriated by the 2011 legislature.
 - b. Major Gift Program - Funds will be requested to continue support at 100% for the major gift matching program.
 - c. Plant operations and maintenance for new and existing buildings -

- i. Funds will be requested for the annualized operations and maintenance costs for buildings completed and phased-in during 2011-2012;
 - ii. Funds will be requested for the operating costs for new buildings to be completed and occupied in 2012-2013.
 - iii. Funds will be requested for the increased utilities and operating costs of existing buildings.
 - d. Faculty and Staff Retention – Keeping qualified faculty and staff is paramount to student success, and ensuring that the universities continue to be included in administered funds will be closely monitored .
 - e. Medical Education – Funding will be requested for continued implementation of the FIU and UCF medical schools and for Board approved issues at existing medical schools.
2. SUS Strategic Plan Goals – Program and funding requests will be considered to increase access, address shortages in critical state workforce areas, and for the development and maintenance of nationally and internationally preeminent academic programs and research centers.
3. New Florida – The ability to build the knowledge and innovation economy requires high-technology, high-wage jobs in the fields of science, technology, engineering and mathematics (STEM), as well as medicine and health care, finance, insurance, professional services, and education. The SUS can and should be the driver of Florida’s new economy. Funding will be requested for this initiative.

Utilizing university work plans and the accountability metrics in the annual report, New Florida funding will focus on increased targeted degrees, workload increases; attracting top-level students, researchers, and industry; creating a strategic research agenda; and focusing each university on fulfilling its distinctive mission.
4. Task Force Reports and Studies – Consideration will be given to initiatives recommended in any task force reports or studies and endorsed by the Board.
5. Shared System Resources – Consideration will be given to initiatives that allow for greater efficiencies through shared system resources.

6. If a university received non-recurring funds for an initiative and that initiative is a priority for continued funding, then the university should submit that issue for consideration by the Board.

The following represents the timeline for submission of the SUS 2012-2013 LBR for operations:

- March: The Board approves the LBR Policy Guidelines.
- May: Universities submit LBR issues as a component of the 2011 work plans.
- June: Review university work plans in which goals, initiatives, and financial assumptions are aligned with submitted LBR issues.
- July - Aug: Chancellor works with universities to develop any system and university LBR issues.
- September: Board approves the operating LBR.
- October: Operating LBR is submitted to the Governor and Legislature.
- January: If necessary, potential amendments will be considered.

Fixed Capital Outlay Funds¹:

1. Public Education Capital Outlay (PECO) funding for Remodeling/Renovation/Maintenance/Repair will be requested pursuant to the provisions of Section 1013.64(1)(a), Florida Statutes.
2. The university's approved Five Year Capital Improvement Plan (CIP) will be prioritized, in the first year, as indicated below. Written justification, noting any exceptions to the priorities provided by the guidelines, and explaining why a priority exception is in the best interest of the university should be included in the cover letter submitted with the CIP package. This will assist Board staff in comparative evaluation of university projects, and justification in terms of relative system ranking for placing in system priority order. Each university should submit one and only one prioritized, sequentially numbered list.

¹ Each university must incorporate utilization data as a factor in prioritization of university CIP funding requests to the Board. Programs with classroom and teaching lab space utilization below the current SUS standard will not be eligible for inclusion on the university CIP. General purpose classroom or teaching lab space (space not designated for a specific academic program or discipline) will not be eligible for inclusion if utilization was below the SUS standard for 2011-12. This standard applies both to the university as a whole and on a site- specific basis.

Funding will be requested for institutional survey recommended² PECO projects in the following priority order:

- a. Matching external funds from non-private sources.
 - b. Continuation projects
 - i. Funded by the Legislature in the amount and in the year as last included on the Board adopted three year list.
 - ii. Funded by the Legislature, but not on the Board adopted three year list.
 - iii. Require additional funding to complete project as originally requested.
 - c. Utilities/infrastructure/capital renewal/roofs needs.
 - d. Renovation and remodeling projects to meet current space needs, structural/mechanical repairs, and technology upgrades that are in accordance with Section 1013.64(4)(a), Florida Statutes. (Survey recommendation)
 - e. Instructional, then research, followed by support space needs to include projects that will bring each university to the system average percentage of formula need.
 - f. Projects to provide specialized space for a newly approved academic program.
 - g. Land or building acquisition in accordance with university board of trustees adopted master plans.
 - h. Non-survey recommended projects.
3. Special consideration and emphasis will be given to proposed joint-use PECO projects that meet the requirements of Section 1013.52, Florida Statutes, as well as PECO projects included in university work plans as a component of the New Florida initiative.
 4. State matching funds for the facilities enhancement matching program will be requested for eligible projects as proposed by the universities that meet the requirements of Section 1013.79, Florida Statutes.
 5. Required legislative authorizations will be requested for externally funded projects as proposed by the universities, in accordance with Section 1010.62, Florida Statutes.
 6. Each facilities project should be designated by strategic type:

Medical Education

² Specific survey recommendation is not required for infrastructure and matching funds projects.

Strategic Discipline (Teaching, Nursing, Engineering)
Economic Development/Enhanced Critical Research
Improved Geographic Access
Campus Sustainability
Increased Baccalaureate Production
Other

The following represents the timeline for submission of the SUS 2011-2012 Fixed Capital Outlay LBR.

- March The Board approves the LBR Policy Guidelines.
- April: Chancellor provides draft technical instructions and requests universities to submit their five-year CIPs to include proposed projects and authorizations. Board staff will review draft CIPs with university designee(s).
- May Universities submit five-year CIP summary as a component of the 2011 work plans.
- June: The Board reviews university work plans which includes proposed five-year CIP summary August: Universities submit five-year CIPs.
- September: Board approves the fixed capital outlay LBR.
- October: Fixed capital outlay LBR is submitted to the Governor and Legislature.
- December: Universities submit amended FCO requests to Board.
- January: Board approval of amended FCO requests.
- March: If necessary, potential PECO amendments to reflect March PECO revenue estimating conference allocations.