



## State University System of Florida Board of Governors 2015-16 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 an LBR to the Legislature and Governor based on an independent judgment of needs.

The 2015-2016 LBR will provide flexibility for the Board of Governors (Board) and individual university boards of trustees to jointly manage the system to meet the critical needs of the state, achieve the statewide goals and objectives of the updated State University System (SUS) Strategic Plan and university work plans, and demonstrate accountability/justification. The following goals of the SUS Strategic Plan will be addressed in the request:

1. Excellence
2. Productivity
3. Strategic Priorities for a Knowledge Economy

These System goals, as well as institutional goals and initiatives, 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) 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 2014-2015;
    - ii. Funds will be requested for the operating costs for new buildings to be completed and occupied in 2015-2016.
    - iii. Funds will be requested for the increased utilities and operating costs of existing buildings.



2. Performance Funding – Funding will be requested based on a performance funding model as agreed upon by the Board, Legislature and Governor.
3. Task Force Reports and Studies – Consideration will be given to initiatives recommended in any task force reports or studies and endorsed by the Board.
4. Shared System Resources – Consideration will be given to initiatives that allow for greater efficiencies through shared system resources.
5. 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. System non-recurring funds received for base budget operations will be considered for the LBR.

The following represents the timeline for submission of the SUS 2015-2016 LBR for operations:

- June: Board approves the LBR Policy Guidelines.
- 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 Funds:**

The university's approved Five Year Capital Improvement Plan (CIP) will be prioritized, in the first year, as indicated below. Please note that PECO funding to meet critical maintenance needs has been assigned a higher priority than adding new facilities, with the intent to improve the condition of existing space and campus infrastructure. 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.



Funding will be requested for institutional survey recommended PECO projects in the following priority order<sup>1</sup>:

A. Maintenance Projects

- a. Funding for Remodeling/Renovation/Maintenance/Repair will be requested from PECO pursuant to formula as required by Section 1013.64(1)(a), Florida Statutes.
- b. Critical Deferred Maintenance

B. System and Continuation Projects

- a. Projects funded by the legislature in the amount and in the year as last included on the Board adopted three year list.
- b. Projects funded by the Legislature, but not on the Board adopted three year list.
- c. Projects that require additional funding to complete.

C. Renovation Projects

- a. Utilities/infrastructure/capital renewal/roofs needs.
- b. Renovation and remodeling projects to meet current space needs, structural/mechanical repairs, replacement of existing facilities which have a survey recommendation.

D. Strategic Projects

- a. Land or building acquisition in accordance with university board of trustees adopted master plans.
- b. New facilities, as needed to meet instructional and support space needs.

E. Legislative Authorizations

- a. Required legislative authorizations will be requested for externally funded projects as proposed by the universities, in accordance with Section 1010.62 and 1013.78, Florida Statutes.

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<sup>1</sup> 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 2013-14. This standard applies both to the university as a whole and on a site-specific basis.



The following represents the timeline for submission of the SUS 2015-16 Fixed Capital Outlay LBR:

- May Chancellor provides draft technical instructions and requests universities to submit their five-year CIPs.
- June Board approves the LBR Policy Guidelines.
- August: Universities submit five-year CIPs. Board staff will review CIPs with university designee(s), technical corrections will be made as required.
- September: Board approves the fixed capital outlay (FCO) LBR.
- October: Fixed capital outlay LBR is submitted to the Governor and Legislature.
- October Board Facilities Workshop. The Board will meet with university trustees and university staff to review projects, including at a minimum all those approved in the initial September LBR.
- December: Universities submit amended FCO requests to Board as needed.
- January: Board approves amended LBR.