



# BOARD *of* GOVERNORS

## State University System of Florida

### Legislative Committee Report

Governor Dick Beard  
June 18, 2014

[www.flbog.edu](http://www.flbog.edu)



# Legislative Priorities Leading Into Session

## Performance Funding

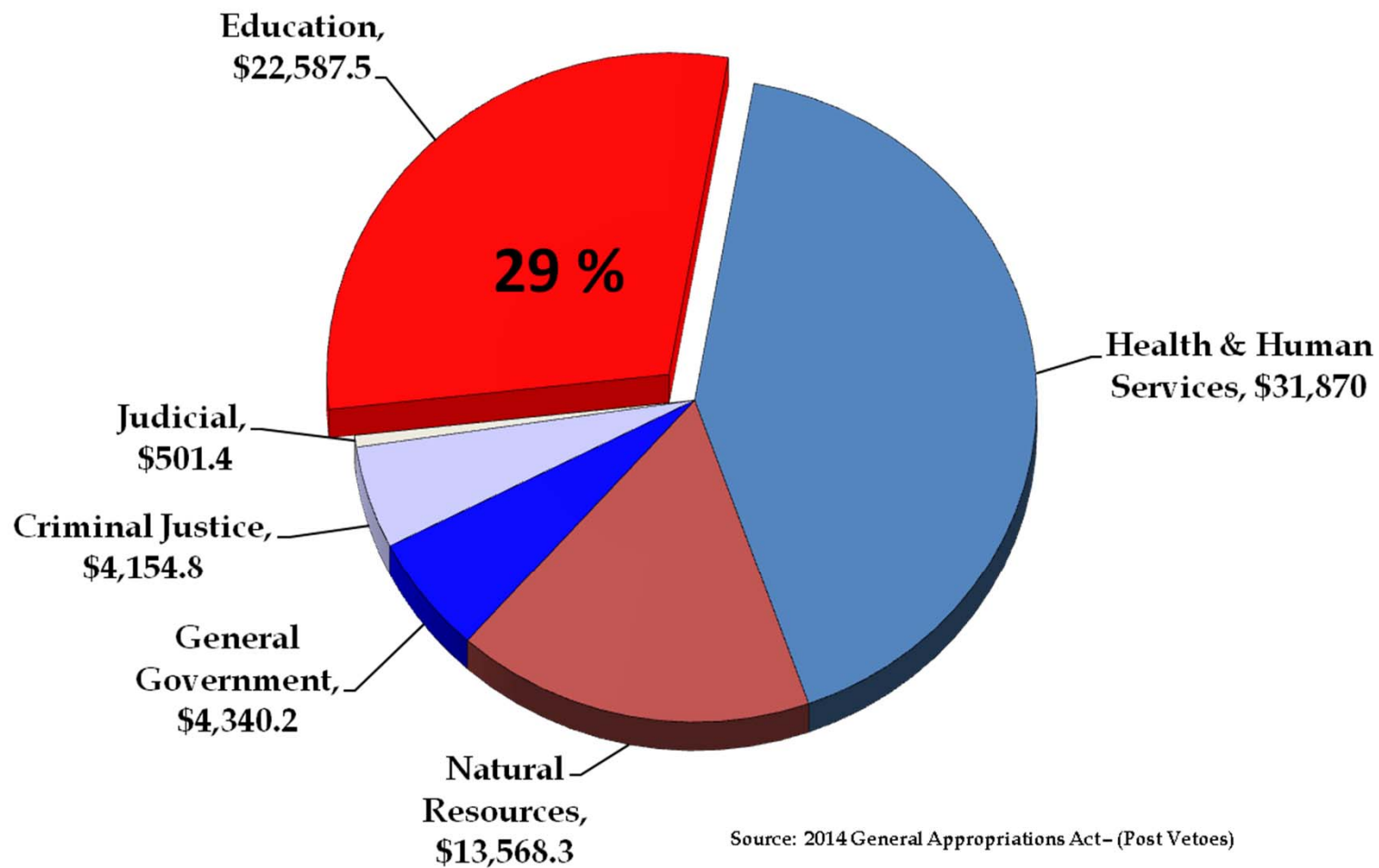
- Proposed: \$100 million requested, \$50 million in new funding and \$50 million from base was submitted in the Board's Legislative Budget Request (LBR)

## Fixed Capital Outlay

- Proposed: \$321 million requested for fixed capital outlay (critical maintenance, renovation and STEM projects) was submitted in the Board's Legislative Budget Request (LBR)



# 2014-2015 State Budget - \$77 Billion

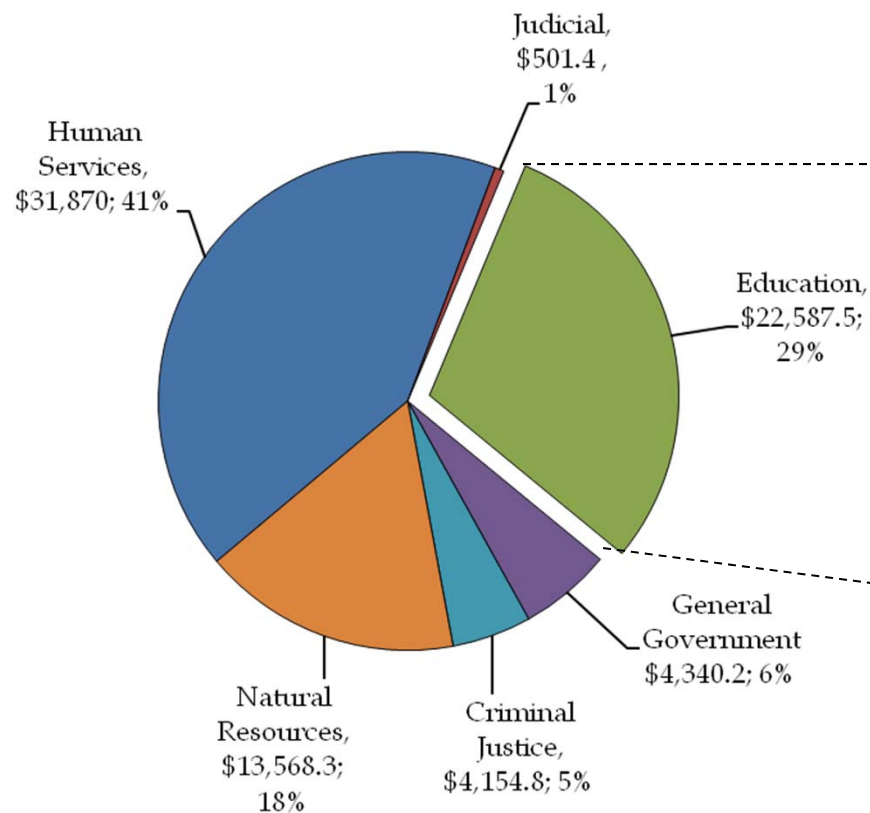




# 2014-2015 State Appropriations

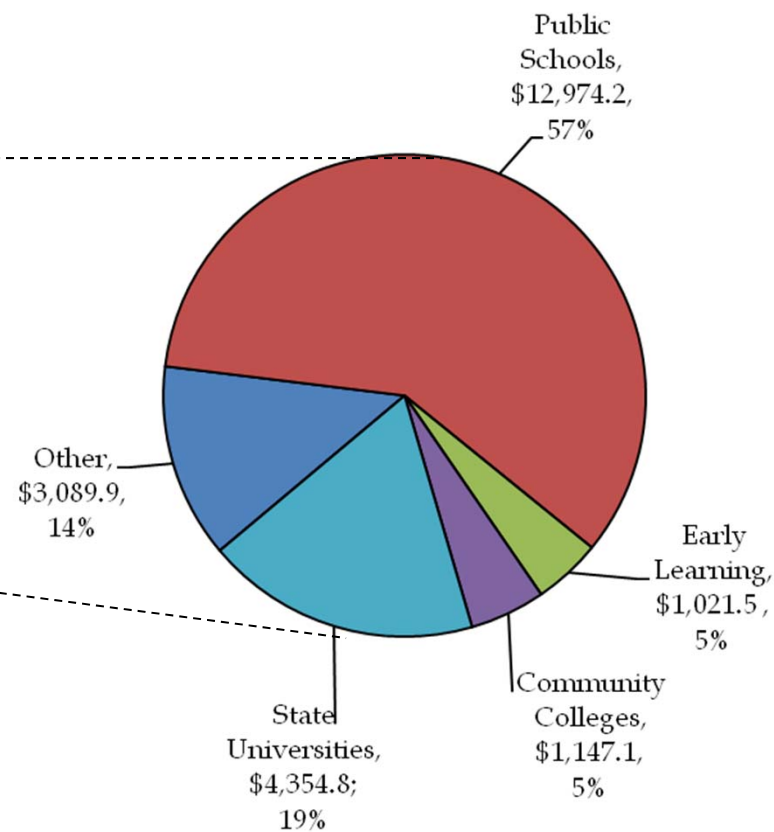
## Operating and Fixed Capital Outlay (\$ in millions)

### State Appropriations



**Total State Appropriations: \$77,022,232,003**

### Educational Appropriations



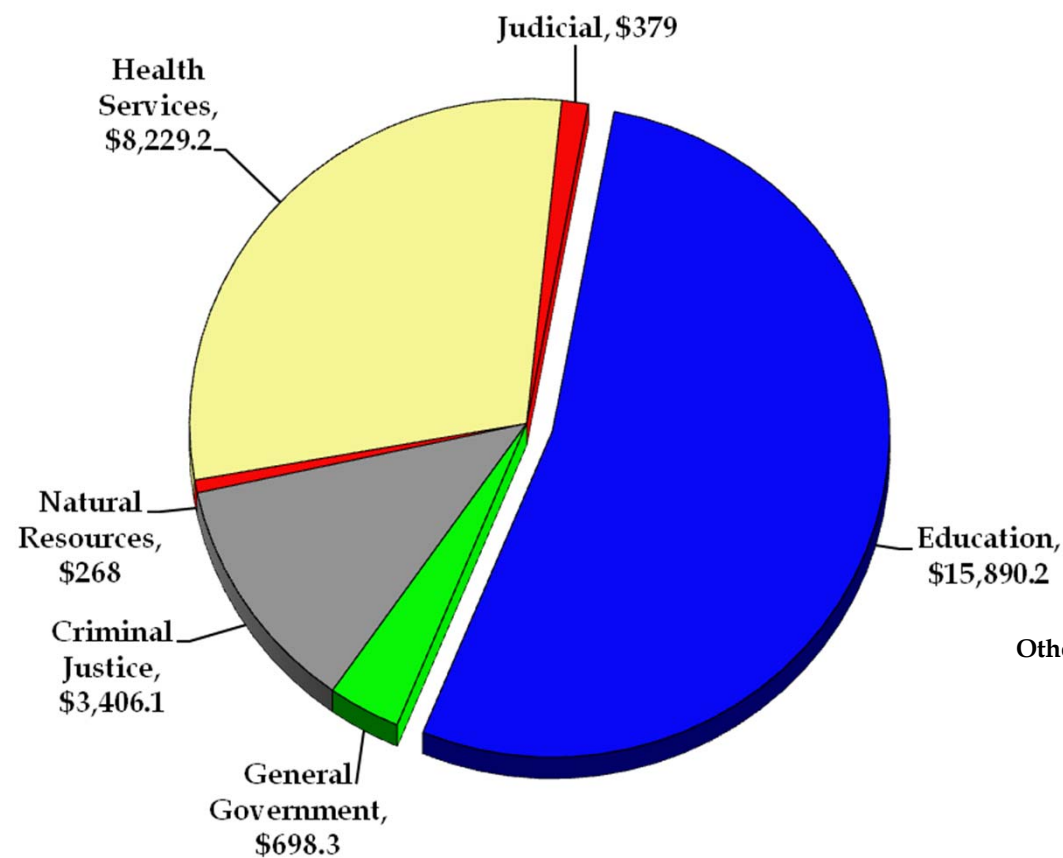
**Total Education Appropriations: \$22,587,522,368**

Source: 2014 General Appropriations Act (Post Vetoes)

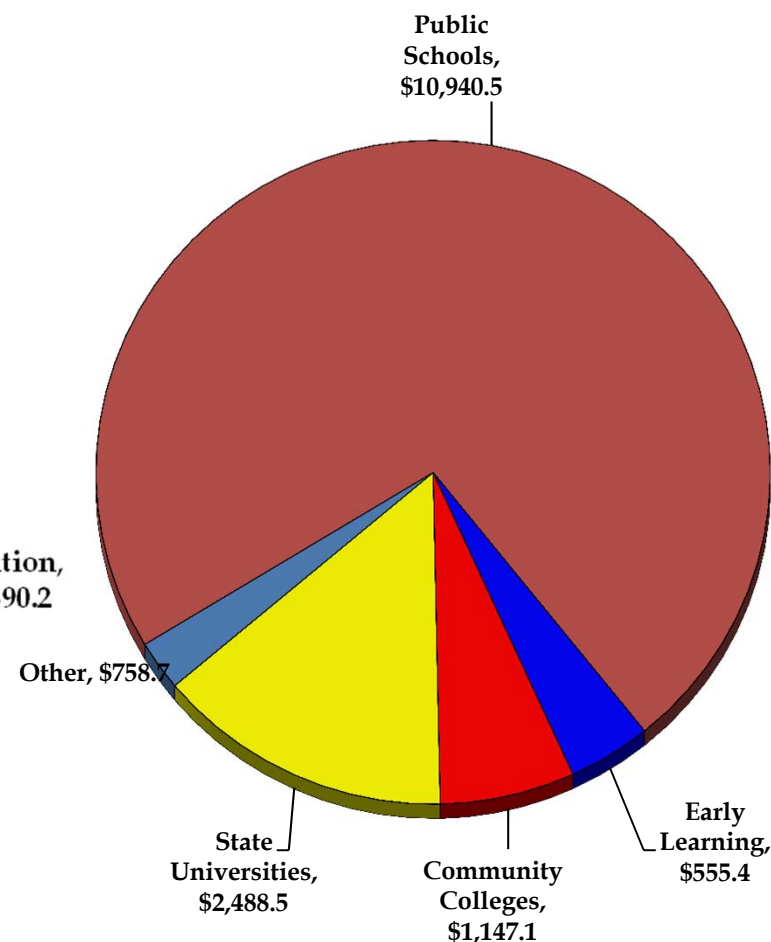


# Education Receives 55% of the State General Revenue/Lottery Budget

• STATE OPERATING BUDGET - \$28.9 B



• EDUCATION OPERATING BUDGET - \$15.9 B



Source: 2014 General Appropriations Act (Post Vetoes)



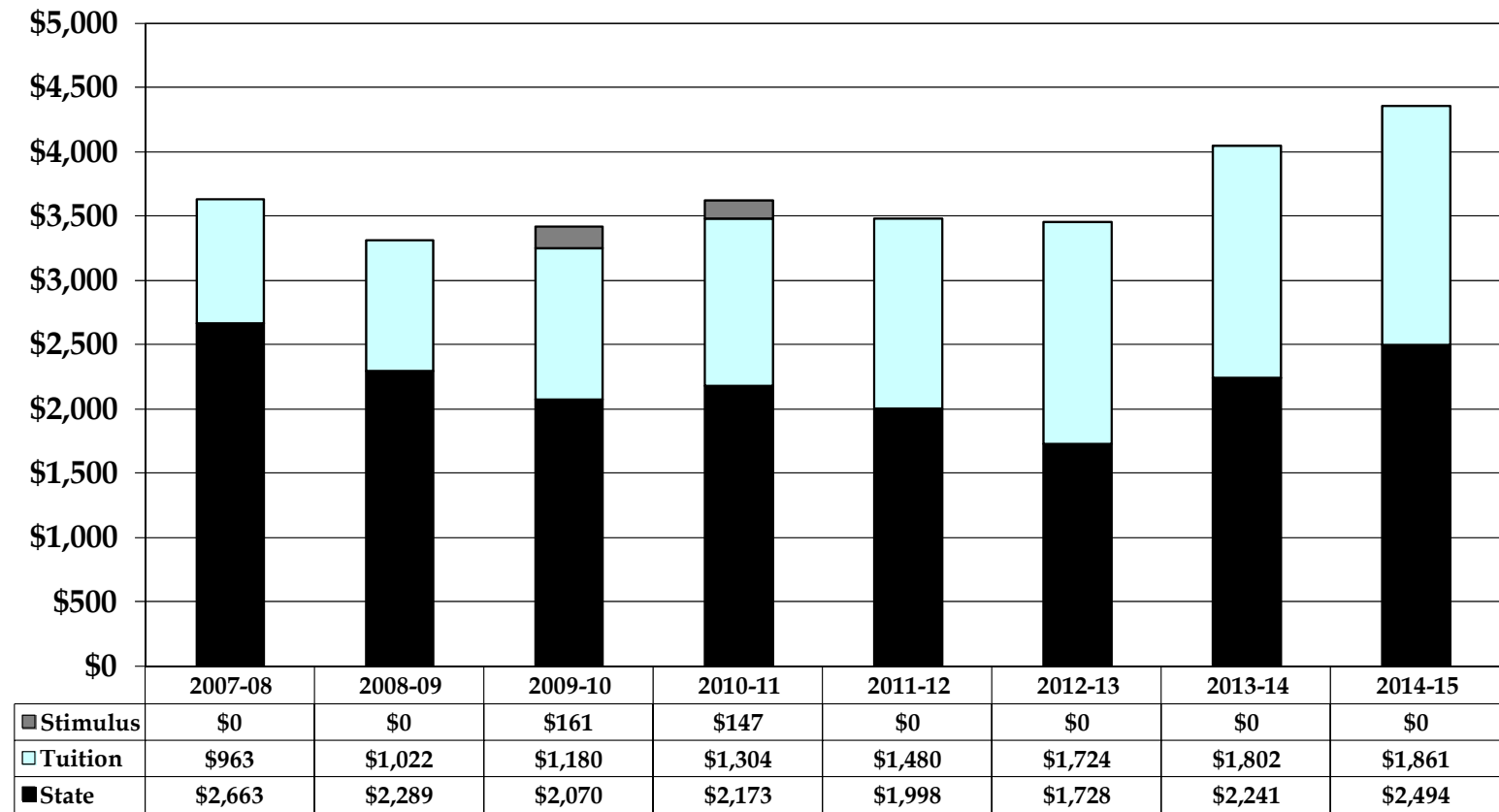
# Performance Funding

## As Listed In Proviso

- \$200 million recurring was provided by the Legislature. \$100 million in new funding and \$100 redistributed from the base
- Improvement Plan shall be submitted for universities that “failed to meet board’s benchmarks”
- Monitoring Reports to be submitted by December 31<sup>st</sup> 2014 and May 31<sup>st</sup> 2015
- Board will determine in January of 2015 and June of 2015 the percentage of funds to be distributed based on Monitoring Report
- Remaining funds will be redistributed to the three universities with the most improvement on metrics



# State University System Funding Model



Includes IFAS and medical schools





# Changes to Tuition Policy

## Under HB 851 - Post Secondary Education Tuition and Fees

- Grants Florida's preeminent universities the ability to increase the tuition differential by up to 6% if the university meets the following criteria( benchmarks to be set by the Board), each amounting to no more than a 2% increase:
  - Increases the 6-year graduation rate for full-time, FTIC students
  - Increases the total annual research expenditures
  - Increases the total patents awarded in a given period
- Eliminates the ability for any university not designated as preeminent to increase the tuition differential fee from existing levels
- Eliminates CPI tuition increase





# Waiver of In-State Tuition

## Under HB 851 - Post Secondary Education Tuition and Fees

- Requires a university to waive out-of-state fees for any student, including those that are undocumented for federal immigration purposes, that meet the following criteria:
  - Attended a secondary school in Florida for three consecutive years immediately before a Florida high school graduation
  - Enrolled in an institution of higher education within 24 months of high school graduation
- Students granted an out-of state fee waiver under this subsection are considered nonresident students when calculating system wide enrollment as limited by Board regulation and are prohibited from state financial aid eligibility



# Waiver of In-State Tuition

## **Under HB7015 – Military and Veteran Support**

- Requires a university to waive out-of-state fees for veteran students who physically reside in Florida
- Creates the Veterans Employment and Training Services Program that allows for the allocation of grant funds to state universities assisting veterans in meeting the workforce-skill needs of businesses

## **Under HB851- Post Secondary Education Tuition and Fees**

- Requires a university to prioritize within nonresident student enrollment a veteran student pursuant to the Congressman C.W. Bill Young Tuition Waiver Act and requires the Board to annually report system wide enrollment of resident and nonresident student



# Changes to Florida Prepaid

## Under HB 851- Post Secondary Education Tuition and Fees

- Caps on tuition and fee contract payments from the Florida Prepaid College Board to state universities to all contracts purchased before July 1, 2024
- Prohibits the amount assessed for registration fees, the tuition differential fee, and local fees paid by the board to a state university on behalf of a qualified beneficiary of an advance payment contract from exceeding 100 percent of the amount charged by the state university for the aggregate sum of those fees
- The amount paid by the board to the state university may not exceed 100 percent of the amount charged by the university for the dormitory fee



## Additional Impact

### Under HB5101 – Education Funding

- Prohibits the State Board of Education (SBOE) from approving Florida College System (FCS) institution baccalaureate degree program proposals from March 31, 2014 through May 31, 2015
- Allows New College of Florida to establish a 2-year master's degree program in data science and analytics upon Board of Governor approval
- Establishes the Florida Center for Cybersecurity within University of South Florida
- Requires each district school superintendent and each public postsecondary institution president to develop a comprehensive dual enrollment articulation agreement
- Creates the Florida National Merit Scholar Incentive Program



# Additional Funding to Public Education Capital Outlay (PECO)

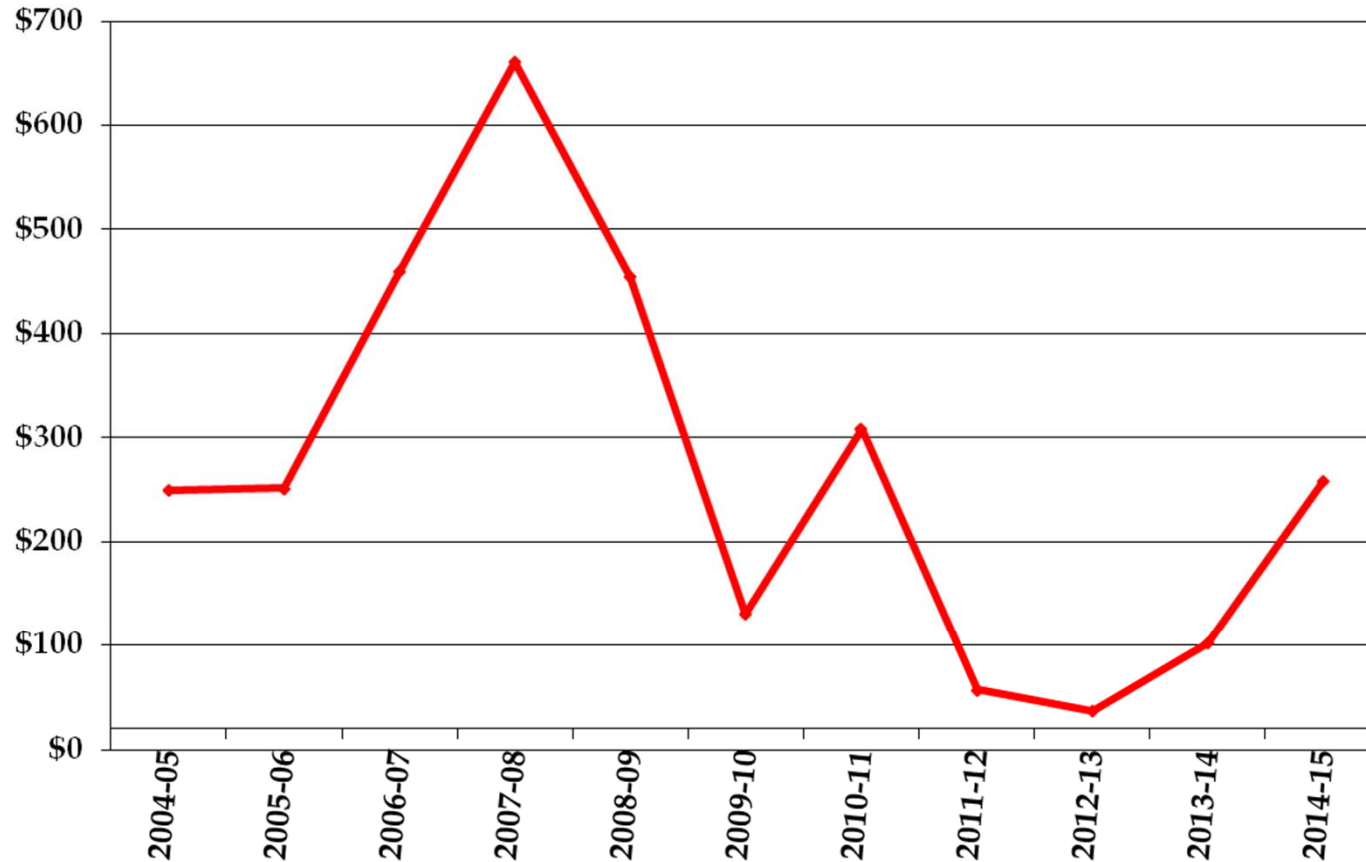
## Under HB5601 – Tax Incentives and Economic Development

- Comprehensive tax package
- PECO tax swap which reduces the sales tax rate and increases the gross receipts tax rate on commercial electricity
- Transfers energy tax revenues to increase the PECO fund
- Exempts prepaid meal plans purchased from a university from taxation



# PECO – State Appropriations to the SUS 2004-2015

Millions



• Note - \$30 M of the 2012-13 appropriation was from Lottery, not PECO



## PECO & CITF Budget Totals

Fixed Capital Outlay Breakdown	Conference
University Projects	\$159,605,000
Critical Deferred Maintenance Request from PECO	\$20,000,000
Renovation/Remodeling/Repair Request from PECO	\$37,649,378
<b>All E &amp; G Projects, including Maintenance</b>	<b>\$217,254,378</b>
Requests from CITF **	\$41,123,760
<b>Total SUS Approved Allocation</b>	<b>\$258,378,138</b>





## PECO & CITF Funded Projects

University	Project Name	Conference
UF	Chemistry/Chemical Biology Building	\$20,000,000
	Newell Hall Remodeling/Restoration	\$10,000,000
		<b>\$30,000,000</b>
FSU	FAMU-FSU College of Engineering III - Joint Use	\$10,000,000
	Earth Ocean Atmospheric Sciences Building (Phase I)	\$20,000,000
		<b>\$30,000,000</b>
FAMU	Pharmacy Building	\$10,000,000
		<b>\$10,000,000</b>



# PECO & CITF Funded Projects

University	Project Name	Conference
<b>USF</b>	USF St. Pete College of Business	\$10,000,000
	USF Heart Health Institute	\$15,000,000
	Morsani College of Medicine	\$5,000,000
		<b>\$30,000,000</b>
<b>UWF</b>	Laboratory Sciences Renovation	\$11,000,000
		<b>\$11,000,000</b>
<b>UCF</b>	Partnership Complex Phase IV – Department of Defense	\$8,000,000
		<b>\$8,000,000</b>
<b>FIU</b>	Student Academic Support Center – MMC	\$6,800,00
	Strategic Land Acquisition	\$10,000,000
		<b>\$16,800,000</b>



# PECO & CITF Funded Projects

University	Project Name	Conference
<b>UNF</b>	Skinner Jones Hall Renovations (North and South)	\$11,750,000
		<b>\$11,750,000</b>
<b>FGCU</b>	Emergent Technologies Institute (formerly I-Hub)	\$7,000,000
		<b>\$7,000,000</b>
<b>NEWC</b>	Hamilton Student Support & Plaza Renovation Remodeling	\$1,600,000
	Utilities and Infrastructure	\$2,800,000
	Heiser Natural Science Addition	\$655,000
		<b>\$5,055,000</b>



## E & G Budget Items

### University Specific Funding Issues

- \$75 million dollars to the SUS in specific university projects
- \$28 million in recurring
- \$47 million in non recurring
  - Governor's Recommended Budget - \$4.5 million
  - Board of Governor's LBR - \$11 million
  - Funded in previous year - \$13.7 million
  - Additional Funding for Preeminent Universities - \$10 Million
  - Related to new 2014 legislation-\$1 million
  - New Projects-\$45.8 million



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