

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
BUDGET AND FINANCE COMMITTEE
UNIVERSITY OF SOUTH FLORIDA
TAMPA, FLORIDA
JUNE 17, 2015

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and its Committees are accessible at <http://www.flbog.edu/>.*

Mr. Tom Kuntz, Chair, convened the meeting of the Budget and Finance Committee at 4:10 p.m. Members present for roll call were Dean Colson, Tonnette Graham, Mori Hosseini, Wayne Huizenga, Jr., Norman Tripp, and Alan Levine who joined the Committee at 4:22. Other Board members present included Dick Beard, Dan Doyle, Pat Frost, Wendy Link, Ed Morton, and Katherine Robinson.

1. Call to Order

Mr. Kuntz called the meeting to order.

2. Approval of March 19, 2015 Committee Meeting Minutes

Mr. Colson moved that the Committee approve the minutes of the meeting held March 19, 2015 as presented. Mr. Hosseini seconded the motion, and members of the Committee concurred.

3. Performance Based Funding Improvement Plans

Mr. Kuntz provided some background information on the Board's original approval of the Improvement Plans in June 2014. In January, the Committee received updates from FAU, NCF and UWF on their progress in meeting the goals established in the Improvement Plans. The Committee then recommended approval of 50 percent of the university funds being held in reserve.

Mr. Kuntz stated that after each presentation, the Committee will decide whether to release the remaining funds being held in reserve. Mr. Kuntz noted that if a university has not fully implemented their improvement plan, the Committee will need to decide how much of the remaining balance to release to the institution. Any remaining unreleased funds would then be allocated pursuant to the 2014 Legislative Proviso which states:

Universities that fail to make satisfactory progress shall not have their full base funding restored, and any funds remaining shall be distributed to the three universities that demonstrate the most improvement on the metrics based upon those universities' proportional share of the new funding allocated under the board's performance funding model.

President Kelly provided a final report on FAU's Improvement Plan.

Mr. Tripp moved that the Committee approve the Improvement Plan Report and authorize the Chancellor to release the remaining 50 percent (\$3,476,197) of funds being held in reserve. Mr. Colson seconded the motion, and members of the Committee concurred.

President O'Shea provided a final report on NCF's Improvement Plan.

Mr. Tripp moved that the Committee approve the Improvement Plan Report and authorize the Chancellor to release the remaining 50 percent (\$540,189) of funds being held in reserve. Mr. Colson seconded the motion, and members of the Committee concurred.

President Bense and Provost Saunders provided a final report on UWF's Improvement Plan.

Mr. Tripp moved that the Committee approve the Improvement Plan Report and authorize the Chancellor to release the remaining 50 percent (\$1,914,794) of funds being held in reserve. Mr. Levine seconded the motion, and members of the Committee concurred.

4. Allocation of Performance Funds

Mr. Kuntz provided an overview of the performance funding model and recognized the work that the Committee and Board have done in the development of the model. He also noted that the Legislature and Governor have provided \$120 million in performance funds over the last two years with an additional \$100 million for the 2015-2016 year. State funds combined with institutional funds total \$400 million for the fiscal year.

Mr. Kuntz asked Mr. Tim Jones to present the allocation of the \$400 million for 2015-2016.

After questions and comments, Mr. Colson moved that the Committee approve the \$400 million performance funding allocation as presented. Mr. Hosseini seconded the motion, and members of the Committee concurred.

5. **Public Notice of Intent to Amend Board of Governors' Regulation 7.008 Waiver and Exemptions of Tuition and Fees**

Mr. Kuntz requested Mr. Jones to present the amended regulation. Mr. Jones noted that the regulation is being amended to conform to statutory changes made during the 2015 legislative session on the waiver of tuition and fees for veterans and other students that are provided assistance by the United States Department of Veterans Affairs.

Mr. Levine moved that the Committee approve the public notice of intent to amend Board Regulation 7.008. Mr. Colson seconded the motion, and members of the Committee concurred.

6. **Concluding Remarks and Adjournment**

Mr. Kuntz stated that during the next meeting in September the Committee will revisit the conversation started in November 2014 on performance metrics for preeminent universities.

In addition, Mr. Kuntz outlined the process and timeline for reviewing the performance funding model. He specifically directed staff to look at options for replacing metric three (cost per degree), determining tie-breakers, and doubling potential points from 50 to 100. He also directed the universities to provide suggestions to the Chancellor. On September 22, 2015 the Committee will have a workshop in Orlando to review potential changes to the model.

Having no further business, the meeting was adjourned at 5:02 p.m.

Tom Kuntz, Chair

Tim Jones, Vice Chancellor
Finance and Administration