

MINUTES  
STATE UNIVERSITY SYSTEM OF FLORIDA  
BOARD OF GOVERNORS  
BUDGET AND FINANCE COMMITTEE  
UNIVERSITY OF SOUTH FLORIDA  
TAMPA, FLORIDA  
JUNE 22, 2017

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

Mr. Ned Lautenbach, Chair, convened the meeting of the Budget and Finance Committee at 9:36 a.m. Members present for roll call were Wayne Huizenga, Sydney Kitson, Tom Kuntz, Alan Levine (by phone), Kishane Patel, and Norman Tripp. Other board members present included Dick Beard, Patricia Frost, Wendy Link, Edward A. Morton, Pam Stewart, Gary Tyson, and Fernando Valverde.

1. **Call to Order**

Mr. Lautenbach called the meeting to order.

Mr. Lautenbach reviewed budget items appropriated during the 2017 legislative session. He highlighted the performance-based funding appropriation of \$520 million, \$52 million for preeminent and emerging preeminent universities, and \$5.4 million for New College of Florida growth. Funding for additional mental health counselors and safety officers were not funded.

Mr. Kuntz stated that the universities have agreed to develop plans to hire additional counselors and safety officers. He requested that universities submit those plans to the Board in advance of the November Board meeting.

Mr. Lautenbach stated that in preparation for the August legislative budget request discussion that the Committee should seriously think strategically on how the budget request is built and the number of issues to include. It would be better to focus on fewer issues.

2. **Approval of March 30, 2017 Meeting Minutes**

Mr. Tripp moved that the Committee approve minutes from the March 30, 2017 meeting. Mr. Kuntz seconded the motion, and members of the Committee concurred.

### 3. **Performance-Based Funding Allocations**

Mr. Lautenbach stated that the Committee needs to take action on the allocation of the \$520 million appropriated for performance funding.

He asked Mr. Tim Jones to present this item.

During the 2017 session, \$520 million was allocated for performance based funding. This includes \$245 M in state investments and \$275 M in institutional investments. Included in your material is the allocation for each institution.

For the institutional investment of \$275 million, in accordance with the performance model, universities that score at least 51 points, will have their institutional investment restored. All universities scored at least 51 points so the full amount is to be restored. No university will have to do an improvement plan which is required if a university scores 50 points or less.

For the state investment of \$245 million, a university has to have at least 51 points to be eligible for the state investment and must be in the top eight. These eight universities will receive a proportional amount of the \$225 M, with the top three receiving additional funds. These additional funds are allocated pursuant to the model based on the points earned of the top three.

If approved, these funds will be released starting in July according to the regular twice monthly distribution schedule.

Mr. Jones highlighted improvement made by the University of West Florida, Florida State University, and New College of Florida.

Mr. Kuntz moved that the Committee approve the allocation of \$520 million in performance-based funding. Mr. Huizenga seconded the motion, and members of the Committee concurred.

### 4. **Performance-Based Funding - A Look Back and Forward**

Mr. Lautenbach stated that staff has a lot of work to do over the next few months in preparation for the October 3 performance-based funding workshop. He asked Mr. Jones to review what has transpired over the last several years and what lies ahead.

Mr. Jones reviewed the timeline when the model was created and approved by the Board, changes made to the model each year, and the appropriation received over this time. He also highlighted several things for discussion at the October workshop;

discussion on four-year graduation rates, university access rate, review of metrics 9 and 10, and optional methods of allocating the state investment.

5. **Public Notice of Intent to Amend Board of Governors Regulation 7.001 Tuition and Associated Fees**

Mr. Lautenbach noted that the Committee has two regulations up for amendment and they will be considered one at a time. If the Committee approves the public notice of intent to amend the regulations, they will be noticed on our website for 30 days and if there are no public comments we will approve these at the August Board meeting.

Tim, please walk us through the changes to these regulations.

Mr. Jones highlighted the following changes to this regulation:

- 1) Adds existing statutory language related to the differential out-of-state fee,
- 2) Outlines the criteria for submitting proposals to the Board of Governors for implementing a differential out-of-state fee, and
- 3) Subsection 7.001(13) Market Tuition Rate is amended to align with and reference amended Regulation 8.002.

Mr. Huizenga moved that the Committee approve the public notice of intent to amend Regulation 7.001. Mr. Kuntz seconded the motion, and members of the Committee concurred.

6. **Public Notice of Intent to Amend Board of Governors Regulation 7.008 Waivers and Exemptions of Tuition and Fees**

Mr. Lautenbach asked Mr. Jones to review Regulation 7.008.

Mr. Jones highlighted the following changes to this regulation:

- 1) Classify exemptions and waivers as mandatory or discretionary,
- 2) Clarifies the intent of reporting exemptions and waivers, and
- 3) Subsection 7.008(3) Sponsored Credit Institutes is amended to align with and reference amended Regulation 8.002.

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

7. **Concluding Remarks and Adjournment**

Having no further business, the meeting was adjourned at 10:07 a.m.

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Tim Jones, Vice Chancellor  
Finance and Administration

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Ned Lautenbach, Chair