Mr. Eric Silagy, Chair, convened the meeting of the Budget and Finance Committee at 4:40 p.m. (ET) on June 29, 2022. Members present for roll call were: Tim Cerio, Nimna Gabadage, Ken Jones, Brian Lamb, Charles Lydecker, and Steven Scott. Other Board members present were: Manny Diaz, Aubrey Edge, Patricia Frost, Edward Haddock, Alan Levine, Craig Mateer, and Bill Self.

1. **Call to Order and Opening Remarks**

The Budget and Finance Committee was called to order by Chair Silagy. He asked Vikki Shirley, Corporate Secretary, to call the roll. A quorum was present.

2. **Minutes of Committee Meeting**

Mr. Jones moved that the Committee approve minutes from the March 30, 2022, meeting. Mr. Lydecker seconded the motion, and members of the Committee concurred.

3. **Public Notice of Intent to Amend Board of Governors Regulations 5.001, 7.001, 7.002, 7.003, 7.008, 9.007, 9.009, and 10.004**

Mr. Silagy introduced the eight regulations being amended due to statutory changes or requests of the universities for more efficient processes. The information is in the material and members have been briefed. Mr. Tim Jones is here to answer any questions.

Mr. Jones moved that the Committee approve the eight regulations as presented. Mr. Lamb seconded the motion, and members of the Committee concurred.

4. **Performance-Based Funding Allocation**

Mr. Silagy stated that the 2022-2023 General Appropriations Act includes $560 million for performance-based funding. He thanked the Legislature and Governor for their continued support of the Board’s performance-based funding model. Tying funding to the performance-based funding metrics is key to reaching the goals in our 2025 Strategic Plan.
Mr. Silagy stated that this is the 9th year of implementing the model and through the performance metrics adopted by this Board there have been significant improvements in the metrics! Congratulations to all of the universities for their commitment to retain and graduate students, grow degrees in Programs of Strategic Emphasis, and assist students in getting a job.

Earlier today, staff presented the university accountability plans and progress being made on many metrics. Although universities are making strides in many of the metrics, there are some universities that still have a lot of work to do.

Mr. Silagy asked Mr. Tim Jones to walk the Committee through the performance model. Mr. Jones presented a powerpoint presentation that included some historical information, the impact of changes to Metric 1 and 4 on scoring, and the allocation of the $560 million.

All schools scored higher than 60 points and will receive their full institutional investment. Mr. Jones noted that the top three schools are UF, USF, and FIU. FGCU’s scores have fallen two years in a row and their state allocation of $11.4 million will be held in reserve pending approval of a Student Success Plan in September. If approved by the Committee, 50 percent of their state investment will be released. In March, 2023, FGCU will present a final plan and if the plan has been successfully implemented, then the balance of the state investment will be released.

Two universities scored below 70 points. Regulation 5.001 states that any school falling below 70 will only receive 50 percent of their state investment. Florida Polytechnic University and New College of Florida both scored 66. Florida Polytechnic University will only be eligible to receive up to $2.1 million of its $4.2 million allocation. New College of Florida will only be eligible to receive $1.8 million of its $3.6 million allocation. Both
schools will need to submit a Student Success Plan in September and if approved by the Committee, half of their state allocation will be released. In March 2023, the final Student Success Plan will be submitted and if the plan has been successfully implemented, then the balance of the state investment will be released.

The state investment not allocated to Florida Polytechnic University and New College of Florida is allocated to the top three schools based on the scores earned by those three schools.

Mr. Silagy stated that he and Chancellor Criser will be meeting with the presidents and boards of the three schools that must do Student Success Plans over the summer.

Mr. Silagy asked for a motion approving the allocation of funds as presented:

![Performance Funding Funding Allocation Table]

Mr. Jones moved that the Committee approve the allocation as presented. Mr. Gabadage seconded the motion, and members of the Committee concurred.

5. Higher Education Emergency Relief Funds Update

Mr. Silagy asked Mr. Jones to provide the Committee with an overview of the three Federal Stimulus Plans.

Mr. Jones reviewed expenditures on the student and institutional allocations and expenditures through May 31. Mr. Silagy noted that some schools have not spent all of their allocations and it’s important that funds are not left on the table. Florida is a donor state to the federal government and we need to utilize the funds that are provided to us. There is a lot of money that hasn’t been spent and schools need to make sure a plan is in place.
President Ken Jessell, stated that their expenditures are much higher than reported due to the timing and they only have approximately $127,000 remaining. The numbers presented did not include recent financial aid disbursements for the summer term.

Governor Silagy requested that an update on expenditures be provided at future meetings.
President Jessell pointed out that reimbursements are based on expenditures incurred. FIU’s Board of Trustees have approved millions of dollars for HVAC replacement and repairs. Contracts are in place and those funds are encumbered. Funds from the Minority Serving Institutions, can be expended through 2024, so more time is allowed for those expenses.

Mr. Silagy thanked President Jessell for his comments. He stated this is a good example of how we can demonstrate that we are utilizing all of the revenue streams available to us. It is important to communicate that to the Legislature.

Mr. Alex Martins, Chair of the UCF Board, stated that they have committed all of the available balances. Like everyone else, they are in the middle of supply chain issues and finding contractors to complete all of the work. They do have a game plan in place.

6. Concluding Remarks and Adjournment

Having no further business, the meeting was adjourned at 5:12 p.m.