

## MINUTES

STATE UNIVERSITY SYSTEM OF FLORIDA  
BOARD OF GOVERNORS  
BUDGET AND FINANCE COMMITTEE  
UNIVERSITY OF WEST FLORIDA  
SEPTEMBER 14, 2022

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Mr. Eric Silagy, Chair, convened the meeting of the Budget and Finance Committee at 9:14 a.m. (CT) on September 14, 2022. Members present for roll call were: Tim Cerio, Nimna Gabadage, Ken Jones, Brian Lamb, Charles Lydecker, Steven Scott, and Kent Stermon. Other Board members present were: Manny Diaz, Aubrey Edge, Patricia Frost, Edward Haddock, Craig Mateer, and Deanna Michael.

### 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. Lamb moved that the Committee approve minutes from the June 29, 2022, meeting. Mr. Stermon seconded the motion, and members of the Committee concurred.

### 3. 2022-2023 State University System Operating Budgets

Mr. Silagy introduced the current year operating budgets submitted pursuant to Regulation 9.007. He reminded the Committee that the budgets have been approved by the Boards of Trustees and it is their responsibility to monitor and manage the budgets accordingly. The information is in the material and members have been briefed. Mr. Tim Jones is here to answer any questions.

There being no questions, Mr. Lydecker moved that the Committee approve the 2022-2023 operating budgets as presented. Mr. Scott seconded the motion, and members of the Committee concurred.

### 4. 2022-2023 Board General Office Operating Budget

Mr. Silagy moved to the next agenda item regarding the 2022-2023 Board Office operating budget. He noted the budget is in the materials and Mr. Tim Jones is available to answer questions.

There being no questions, Mr. Lamb moved that the Committee approve the General Office budget as presented and authorize the Chancellor to make changes as necessary to operate the office. Mr. Cerio seconded the motion, and members of the Committee concurred.

5. Student Success Plan – Florida Gulf Coast University

Dr. Mitch Cordova presented the Student Success Plan.

After discussion, Mr. Ken Jones moved that the Committee approve the 2022-2023 Florida Gulf Coast University Student Success Plan and authorize the release of \$5,713,544 in state investment funding. Mr. Lamb seconded the motion, and members of the Committee concurred.

6. Student Success Plan – Florida Polytechnic University

Dr. Randy Avent presented the Student Success Plan.

After discussion, Mr. Lamb moved that the Committee approve the 2022-2023 Florida Polytechnic University Student Success Plan and authorize the release of \$1,066,455 in state investment funding. Mr. Cerio seconded the motion, and members of the Committee concurred.

7. Student Success Plan – New College of Florida

Dr. Patricia Okker presented the Student Success Plan.

After discussion, Mr. Cerio moved that the Committee approve the 2022-2023 New College of Florida Student Success Plan and authorize the release of \$907,494 in state investment funding. Mr. Lamb seconded the motion, and members of the Committee concurred.

8. 2023-2024 State University System Legislative Budget Request

Mr. Silagy introduced the next issue on the review and approval of the 2023-2024 Legislative Budget Request (LBR). Mr. Silagy noted that the state economy continues to be strong and the revenue outlook is extremely favorable.

Mr. Silagy outlined the framework for the development of the LBR. That framework ties funding to performance and holds universities accountable for improvement and providing a world-class education.

Mr. Tim Jones walked the Committee through the LBR which includes the following:

- a. \$350 million for the State Investment, an increase of \$85 million over the current year appropriation.
- b. \$100 million for performance-based funding excellence. Funds would be allocated based on the maximum excellence score obtained on each metric when reviewing metrics from the 2023 Accountability Plan. These funds would go to non-preeminent universities, unless no funding is received by the preeminent universities then they would be eligible to participate in this program.

- c. \$25 million for performance-based funding improvement. Funds would be allocated to a university that has two consecutive years of improvement, with the second year exceeding three percent. A university scoring less than 70 points or doing a student success plan would not be eligible. If more than one university meets the criteria, funds are prorated based on the percentage increase. If no university qualifies for the improvement funds, the funds will be returned to the State.
- d. \$100 million for Preeminence Funding. Funds allocated to designated preeminent schools in accordance with statute.
- e. \$1.7 million for the Florida Postsecondary Academic Library Network. This request is for half the funds needed to establish a statewide computer-assisted system within the Florida Postsecondary Academic Library Network for all institutions in the Florida College System and State University System. The other half of the funds will be considered by the State Board of Education for inclusion in its LBR.
- f. \$72,500 for Johnson Scholarship Matching. The Johnson Scholarship Foundation has notified the Board of Governors of a \$145K recurring increase in the Foundation's support of the scholarship program, from \$525K to \$670K annually. This request for additional state matching consists of \$72.5K to address the annual private donation increase. This request is in accordance with statute.
- g. \$3.9 million for UF-IFAS Extension Workload. The UF-IFAS Workload Formula is a cost-to-continue funding formula model. It provides for increased research and extension workload demand in all 67 counties. The model was developed at the request of and approved by the Florida Board of Governors. Increased demand for UF/IFAS research and Extension activities is based on the delivery of research information to UF/IFAS clientele throughout Florida. The model uses extension delivery methods to measure increases in workload by both extension and research faculty in the form of workload delivery units. UF-IFAS faculty disseminate a wide range of research-based information to the public as well as community leaders and experts. The model uses non-traditional teaching methods (such as field consultations, office consultations, telephone and email requests, group workshops, and printed materials) and converts these contacts to the equivalent of student full-time equivalents.
- h. \$2.7 million for State Fire Marshal inspections. Pursuant to section 633.218, Florida Statutes, the State Fire Marshal (SFM) is required to inspect all state-owned buildings on a recurring basis, and high-hazard occupancies must be inspected annually. The 4,000+ buildings of the State University System generally fall in the category of both state-owned and high hazard, and thus, as a practical matter, all university facilities are inspected every year by SFM employees.
- i. \$5 million for the Hamilton Center. This Center was created in section 1004.6496 Florida Statutes, during the 2022 legislative session. The Center is an academic unit within the University of Florida. The purpose of the center is to support teaching and research concerning the ideas, traditions, and texts that form the foundations of Western and American civilization. The Center will coordinate with the Florida Institute of Politics at Florida State University and the Adam Smith Center for the Study of Economic Freedom at Florida International University. Non-recurring funding of \$3 million was provided for the 2022-2023 year. The

recurring funding of \$5 million is needed to hire 17 faculty, eight postdoctoral fellows, and 10 staff.

- j. \$38.9 million in Student and Other Fees Trust Fund. Budget Authority Increase Request for Florida Gulf Coast University - \$7.4 million; Florida State University - \$21.3 million; University of North Florida - \$3.2 million; and University of South Florida Health Center - \$7 million. Four universities are requesting an increase in student fee trust fund authority of \$38,917,246 due to an increase in student credit hours and an increase in out-of-state students. There is an expected increase in demand for academic instruction in health profession programs, especially the nursing education programs. This increase in authority will allow universities to spend the tuition revenue expected to be collected. This request is not based on any increase in tuition and fees.

Beginning Base State Appropriation	\$3,313,778,710
✓ Performance-Based Funding – State Investment	350,000,000
✓ Performance-Based Funding - Excellence	100,000,000
✓ Performance-Based Funding - Improvement	25,000,000
✓ Preeminence Funding	100,000,000
✓ FL Postsecondary Academic Library Network	1,685,347
✓ Johnson Scholarship Matching	72,500
✓ UF-IFAS Extension Workload	3,862,872
✓ State Fire Marshall Inspections	2,663,766
✓ Hamilton Center	5,000,000
<b>Total State Funds Budget Request</b>	<b>3,902,063,195</b>
Total Student Tuition Support	1,973,326,813
✓ Increased Tuition Spending Authority	38,917,246
<b>Total 2023-2024 E&amp;G Budget Request</b>	<b>\$5,914,307,254</b>

After the presentation and thorough discussion, Mr. Lydecker moved that the Committee approve the 2022-2023 Legislative Budget Request and authorize the Chancellor to make technical changes as necessary. Mr. Ken Jones seconded the motion, and members of the Committee concurred.

#### 9. 2023-2024 Board General Office Legislative Budget Request

Mr. Silagy stated there was no increase to the Board Office Legislative Budget Request of \$9.9 million.

Mr. Lamb moved that the Committee approve the 2022-2023 Legislative Budget Request and authorize the Chancellor to make technical changes as necessary. Mr. Lydecker seconded the motion, and members of the Committee concurred.

## 10. Higher Education Emergency Relief Funds Update

Mr. Silagy asked Mr. Jones to provide the Committee with an update on the universities expenditure of the three Federal Stimulus Plans.

Mr. Jones reviewed expenditures on the student and institutional allocations and expenditures through August 31.

## 11. Performance-Based Funding Workshop

A workshop was held to review potential changes to metrics and benchmarks. Feedback was received from the Committee on the following changes:

- A. Metric 9a – Two-Year Graduation Rate for FCS Associate in Arts Transfer Students. 2022 legislation changed this metric from a two-year graduation rate to a three-year graduation rate. The recommendation is to set the maximum score at a 70 percent graduation rate, which would be above the current Strategic Plan goal of 62 percent. Currently the system average is 64 percent, above the current Strategic Plan goal.
- B. Metric 8a – Graduate Degrees Awarded in Areas of Strategic Emphasis. In 2019, the Board stated that a university must award at least 25 degrees to be eligible to participate in this metric. Florida Polytechnic now awards more than 25 graduate degrees and would like to switch from their current metric to the standard graduate degree metric.
- C. Metric 8b – Freshmen in Top 10% of Graduating High School Class. This metric applies to New College of Florida. Not all high schools provide a class rank, so the recommendation is move to a ‘Percentage of Newly Admitted FTICs with High School GPA of 4.0 or higher’.
- D. Metric 1 – Percent of Bachelors Graduates Employed (earning \$30,000+) or Enrolled 1 Year after Graduation. During the Strategic Planning Committee held on September 13, no final decisions were made. Additional information was requested and will be presented in November.

## 12. Concluding Remarks and Adjournment

Having no further business, the meeting was adjourned at 10:54 a.m.

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Tim Jones, Vice Chancellor  
Finance and Administration

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Eric Silagy, Chair