

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
BUDGET AND FINANCE COMMITTEE
ZOOM
July 11, 2025

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<https://thefloridachannel.org/videos/5-8-24-florida-board-of-governors-meeting/>

1. Call to Order and Opening Remarks.

Mr. Alan Levine, Chair, convened the Budget and Finance Committee meeting at 1:23 p.m. on July 11, 2025. Members present for the roll call were Chair Levine, Ken Jones, Timothy Cerio, Carson Dale, Pat Frost, Brian Lamb, Charlie Lydecker, and Eric Silagy.

2. Minutes of Committee Meeting

Mr. Levine introduced the first order of business, approving the minutes of the Committee Meeting held on June 18, 2025.

Mrs. Pat Frost moved that the Committee approve the meeting minutes from June 18, 2025. Mr. Silagy seconded the motion, and members of the Committee concurred.

3. Performance-Based Funding Allocation

Mr. Levine introduced the next item on the agenda. To approve the 2025-2026 performance-based funding allocation. In the June meeting, they were unable to approve the allocation because the legislature had just passed the General Appropriations Act, and Governor DeSantis had not yet signed the bill. FGCU scored below 70 points, resulting in half of their state funding going to the top 3 scorers, which is 4 schools, because of a tie. Those four schools are FIU, UF, FSU, and UWF. The remainder of FGCU's funding will be held in reserve. In September. They will present a student success plan. If the plan is approved, they may receive half of their eligible allocation. Then they will come back in March and tell us whether or not they have fully implemented the plan. If they have, the Board may then release the remainder of the funds. He then asked if anyone had any questions or discussion on the allocations as presented.

Mr. Eric Silagy comments that he would like some of the metrics revamped for next year, making them more dynamic. He states that they should take a hard look at efficiency and financial metrics. He wants to reward excellence and those who follow the rules and regulations. He references back to the last Board meeting when they discussed out-of-state tuition and points out that 3 of our schools are out of compliance with the rule. He suggests that if you are a school out of compliance with the Board of Governors' rules and State Law, then you should not be eligible for your performance-based funding due to the fact that you are not meeting the basic foundational principles of abiding by the rules. He suggested and motioned that he thinks that the money should be held in reserve for those schools not meeting the rules until they are compliant; therefore, there is a motivator for the universities to be in compliance with the rules.

Mr. Levine replied, saying that first, he agreed with Mr. Silagy about aligning the performance-

based funding going forward. The issue before us is the performance funding allocations for the performance that was done under the law, under the regulations. He stated he was not aware Mr. Silagy was going to raise the motion he did. He has no idea what the implications are. The law and rules require them to score the schools based on the scores. Deliver the performance funding based on the scores that they know. There is nothing in the performance funding regulation that he is aware of that says they can apply a different standard for a university based on a regulation that they may or may not be following. Performance funding is about actual performance, and if they met the metric, they should get paid the money. He doesn't feel like changing the rule without conversation is necessarily fair. For the record, this has not been motioned. This has only been opened up for discussion. Mr. Levine redirects the meeting back to the issue on the table is do they want to vote for the performance-based funding payouts that have been presented by the staff based on the work they've done? He then asked if anyone else had any further comments or discussion.

Mr. Silagy commented that he would say that the Board of Governors has a Constitutional authority to ensure that there is no waste and duplication. We are charged with that duty. He uses New College as an example and says that they are currently charging a deficit and are not collecting.

Mr. Levine replied, asking if he had a proposal to bring forward on the issue or not.

Mr. Silagy stated that the performance funding is on the agenda, and it is \$4 million for New College of Florida. He said what he is suggesting is for the consideration of whether or not a school that is not meeting Board of Governors long-established regulations should benefit from a bonus program with performance-based funding on top of that.

Mr. Levine asked the Chancellor if there was anything in the performance-based funding regulation that says there's any other requirement other than meeting the performance metrics for payout of the metrics? Are there any other regulations, or are there non-compliances with regulations?

Chancellor Ray Rodrigues replied, saying that the statute did not spell that out as an option.

Mr. Silagy asked if there were any prohibitions?

Chancellor Rodrigues said they did not contemplate it.

Mr. Silagy said, since it is a Board of Governors rule and the authority for the Board of Governors rule is under the Constitution, is there any prohibition?

Chancellor Rodrigues replied that he would have to research that issue with General Counsel and come back on it. It is not spelled out in the statute. The question of whether they could go beyond the statute for performance-based funding, he did not feel comfortable answering without legal analysis to support what he was presenting to the Board.

Mr. Silagy replied that he personally would appreciate that so that they can enforce the rules that they put forth.

Mr. Levine replied that, as he understands it, there are regulations that provide enforcement mechanisms if the Board of Trustees does not carry out their fiduciary responsibilities, which would be the avenue if there is a university that does not comply with the rules. He stated that if Governor Silagy truly feels that there is a university overcharging or they are not consistent with different regulations, there are mechanisms the Board of Governors has, if we choose to hold the Board of

Trustees accountable for not doing their jobs. He thinks that would be the proper mechanism too but first they would have to make that determination of what he is saying is accurate. Which is why at the last meeting, he suggested that Governor Silagy and President Corcoran meet to discuss the situation.

Mr. Silagy said that he would be happy to meet with him.

Mr. Charles Lydecker commented that he doesn't think anyone is excited about taxpayers subsidizing out-of-state tuition. He feels there are other ways to reconcile the issue, and doesn't have to be based on performance-based funding, and he would be one who wouldn't want to tie it to the performance-based funding bonus formula.

Mr. Silagy stated that his main goal is just to have the universities take the regulations seriously and comply.

Mr. Brian Lamb commented that it was time to call the question. He thinks he and Chancellor have enough to go on and have some work to do. With another meeting coming up in a few months, it will give time to start the process of refreshing the metrics, recommendations on the agenda, and a fully vetted discussion on addressing where there might be a subsidy for out-of-state students. He then stated that he was giving the floor back to Mr. Levine to carry a motion or table if they were not ready.

Mr. Levine asked if there were any further questions or comments. Seeing none, he asked for a motion to approve the allocation of funds as shown, with 8 million held in reserve until Florida Gulf Coast University presents and implements their Student Success Plan. Mr. Brian Lamb motioned, and Mr. Jones seconded the motion. Members of the Committee concurred.

4. Concluding Remarks and Adjournment

Mr. Levine asked if there was any other business from Committee members. Having no further business, the meeting was adjourned at 1:46 p.m.

Alan Levine, Chair

Sarah deNagy,
Preparer of Meeting Minutes