

MINUTES  
STATE UNIVERSITY SYSTEM OF FLORIDA  
BOARD OF GOVERNORS  
BUDGET AND FINANCE COMMITTEE  
UNIVERSITY OF SOUTH FLORIDA  
NOVEMBER 6, 2025

*Video or audio archives of the meetings of the Board of Governors and its committees are accessible at:*

<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 10:56 a.m. on November 6, 2025. Members present for the roll call were Chair Levine, Ken Jones, Timothy Cerio, Carson Dale, Brian Lamb, Charles Lydecker, and Eric Silagy.

2. Minutes of Committee Meeting

Mr. Levine introduced the first order of business, to approve the minutes of the Committee Meeting held on September 11, 2025.

Chair Brian Lamb moved that the Committee approve the meeting minutes from September 11, 2025. Mr. Timothy Cerio seconded the motion, and members of the committee concurred.

3. Public Notice of Intent to Amend Board of Governors Regulation 9.007- State University Operating Budgets and Requests.

Mr. Levine introduced the next item on the agenda, to approve the Amendment to Board of Governors Regulation 9.007- State University Operating Budgets and Requests. This regulation is being amended to include three budget categories that are required to report under the Education and General budget entity.

Mr. Levine asked if there were any questions or comments. Seeing none, he asked for a motion to approve the Public Notice of Intent to Amend the Board of Governors Regulation 9.007- State University Operating Budgets and Requests. Mr. Lamb motioned, and Mr. Cerio seconded the motion. Members of the committee concurred.

4. FSU Auxiliary Revenues for Athletics Facilities

Mr. Levine introduced the next item on the agenda. To approve the request from FSU to utilize auxiliary revenues for improvements to their baseball stadium. He then asked Mrs. Sarah deNagy to provide an overview of the details.

Mrs. deNagy presented the details of the FSU auxiliary loan. Stating that Regulation 9.013

allows the use of unreserved cash from a non-athletic auxiliary for athletics can be considered by the University Board of Trustees and approved by the Board of Governors. FSU is seeking to use up to \$2 million in auxiliary funds for an internal loan to athletics to replace the baseball stadium video and sound board. The Board of Governors staff has reviewed the request and confirmed that it is in line with the regulation. The University's Board of Trustees reviewed and approved the request on October 31<sup>st</sup>.

Mr. Levine asked if there were any questions or comments. Seeing none, he asked for a motion to approve FSU using up to \$2 million in auxiliary funds for an internal loan to replace the baseball stadium's videoboard and sound system. Mr. Lamb motioned, and Mr. Carson Dale seconded the motion. Members of the committee concurred.

## 5. 2025-2026 Carryforward Spending Plans

Mr. Levine introduced the next item on the agenda. To review and approve the 2025-2026 University Carryforward Spending Plans. The regulation requires the Board of Trustees to review and approve by September 30th, and the Board of Governors to review and approve by November 15th of each year. He informed the members that the spending plans, as certified by the Board of Trustees chair, the president, and the University CFO, are submitted in accordance with State Statute and Board regulations. They could be found in their meeting materials. He then asked Mrs. deNagy to present a high-level overview of the details and answer any questions anyone may have.

Mrs. deNagy provided high-level details of the spending plans. She stated that there was one statutory change to the Carryforward Spending Plans this year. Those changes require the Universities to commit 12% of their Carryforward Spending Plans to current PECO projects or Deferred Maintenance. The plans for each University are located in the meeting materials. She went on to share some key highlights: The July 1<sup>st</sup> beginning balance was 2.5 billion, nearly \$470 million is set aside for the statutorily required 7% Reserve Fund, \$120 million was set aside for additional Reserves, \$31.4 million was reserved to comply with Board Regulation 14.002 (the regulation that requires 2% of the total value of a building to be placed in an Escrow account when constructing a new E&G facility), \$221 million is budgeted for the new 12% requirement to PECO and Deferred Maintenance noting that each plan had an individual tab that gave details of that new requirement, and the remaining funds are planned for student financial aid, student services, faculty and staff, research, IT improvements, Fixed Capital Outlay projects, etc. She also informed the Board that New College of Florida has fully restored their 7% reserve balance from when they had to use it to make emergency hurricane repairs. Mrs. deNagy also noted the University of Florida's Board of Trustees has not yet approved their Carryforward Spending Plan, but they will be taking their plan which can be viewed in the meeting materials today, to their Board in the coming weeks.

Mr. Levine clarified that if there are any changes that are made once the University of Florida presents their plan to their Board of Trustees they will then bring that plan back before the Board for their review and approval.

Mrs. deNagy replied saying yes, they would then have to bring it back before the Board

Members for review and approval.

Mr. Levine asked if there were any questions or comments. Seeing none, he asked for a motion to approve the 2025-2026 Carryforward Spending Plans contingent upon the University of Florida Board of Trustees approving their 2025-2026 Carryforward Spending Plan as presented. Mr. Cerio motioned, and Mr. Lamb seconded the motion. Members of the Committee concurred.

## 6. Performance-Based Funding

Mr. Levine introduced the last item on the agenda. To approve the changes to the Performance-Based Funding Model. He stated that the Board held two workshops to discuss potential changes to the Performance-Based Funding model, and the Board staff has held meetings with university employees throughout October to gather feedback on the proposed changes. Using that information, the Board staff developed a plan and presented it to the Board at the PBF workshop the evening before. He asked Mrs. deNagy to provide a brief overview of their current status regarding those changes.

Mrs. deNagy presented the details of the changes to the Performance-Based Funding Model to the Members. The first being a change to the current model, changing the benchmarks of Metrics 6 and 8a due to the Program's Strategic Emphasis list changing, while also proposing that the scores be normalized for one year.

Mr. Levine asked Sarah to explain in more detail what is happening with Metrics 6 and 8a.

Mrs. deNagy explained that in November 2023, the Board approved a new list of Programs in Strategic Emphasis that reflects a more targeted and workforce-driven methodology. Due to that, the list got smaller, and that is why it looks like we are lowering the scale, but it is in line with the new list approved in November 2023.

Mr. Levine asked what the change was in the number of programs from then to now.

Mrs. Emily Sikes replied roughly 800 programs down to 200 programs on the list.

Mr. Levine commented, saying it was a significant decrease, but wanted it to be clear that the standard was not changing; it is just that the inputs have changed dramatically.

He continued to state that he feels it is a good plan that will allow change without impacting the funding. He informed the members that this item will need two motions. He then asked if there were any questions or comments. Seeing none, he asked for a motion to approve the changes to Matric 6 and 8a in the current Performance-Based Funding Model, as discussed and presented, to take effect starting in 2026, with scores normalized for one year. Mr. Lydecker motioned, and Mr. Lamb seconded the motion. Members of the Committee concurred.

He then asked for the second motion to approve the following:

- The new Performance-Based Funding Model, as discussed and presented, will become effective in 2027
- In 2026, allow authorized staff to collect data and score the institutions based on the new Performance-Based Funding model, while simultaneously collecting data and scoring institutions based on the current Performance-Based Funding Model
- Request that the University Board of Trustees submit to the Board a new Metric 10 for approval in January and allow New College of Florida and Florida Poly to submit a new Metric 8b for approval in January to be part of the new model effective in 2027.
- Allow the Chancellor to make technical changes to the new model as needed.

Mr. Lamb motioned, and Mr. Cerio seconded the motion. Members of the Committee concurred.

## 7. 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 11:16 a.m.

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Alan Levine, Chair

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Sarah deNagy, Preparer of Meeting Minutes