



## State University System 2012-13 Legislative Budget Request Issues Education & General Core Budget

The following provides a brief explanation of the major issues recommended for inclusion in the 2012-13 Legislative Budget Request (LBR). Several issues are included under the New Florida Initiative LBR of \$151.3 million for the core budget - additional details for some issues are provided in subsequent attachments.

### 1. STEM, Research and Other Areas of Strategic Emphasis - \$91 million

- **STEM and Research - \$77.4 million:** The New Florida Initiative remains the primary catalyst for ensuring that Florida's knowledge and innovative economy is sustained by high-technology, high-wage jobs in such fields as science, technology, engineering and mathematics. Since its inception, universities across the System have supported the vision of New Florida by targeting professional industry clusters designed to regenerate, retain, and recruit Florida's economic future. (Attachment 5)

For the 2012-13 LBR, of the \$150 million earmarked for New Florida, a total of \$77.4 million in LBR proposals were submitted by the universities to create or enhance STEM fields and other strategic goals and objectives at the institutions.

**Outcome:** To increase the number of students choosing to study STEM fields by partnering with K-12 institutions to engage more young students in the STEM area. Additionally, effort will be placed on improving research commercialization efforts statewide.

- **21<sup>st</sup> Century World Class Scholars in STEM - \$10 million:** A STEM initiative that includes a system-wide request of \$10 million to recruit and retain additional 21<sup>st</sup> Century World Class Scholars in STEM-related fields. The intent of this request is to invest in recurring base salaries of selected world class scholars throughout the system and fund startup investments in research space and/or equipment and other allowable costs.

**Outcome:** The ability to recruit best and brightest students to attend Florida's public universities, to attract a share of the federal and industry investments in research and development, and to maximize new business ventures migrating to the state, resulting in additional job opportunities statewide.

➤ **Florida Institute of Oceanography - \$1.2 million**

The Florida Institute of Oceanography (FIO), an Academic Infrastructure Support Organization (AISO) established by the Board of Governors (Board), serves as the State University System (SUS) coordinating body for research vessels, equipment, marine laboratories and other shared-use facilities and services. Shared use of resources, expertise and infrastructure will maintain Florida as a leader in oceanographic and coastal education and research.

It is expected that funding of the FIO initiative will support all SUS institutions in contributing to the dashboard metrics related to degrees awarded, Federal R&D expenditures, and other AAU metrics important to all institutions.

**Such outcomes are as follows:**

- Development of an ocean observing and monitoring capability for rapid response by FIO members is necessary to assess and understand impacts on the Gulf of Mexico and Atlantic ecosystems and critical coastal ocean, estuarine and riverine resources of events such as hurricanes, oil spills, red tide and other harmful algal blooms. Florida's citizens expect no less.
- Provision of University-based, peer-reviewed results, widespread dissemination and interpretation of findings and recommendations to policy-makers, educators, and the general public is a service inherent in SUS's and FIO's mission.

➤ **Florida Small Business Development Center (SBDC) Network - \$2 million**

The SBDC Program is designed to provide high quality business and economic development assistance to small businesses and prospective nascent entrepreneurs in order to promote growth, expansion, innovation, increased productivity and management improvement. The program is sponsored and partially funded by the U.S. Small Business Administration (SBA). Governed by Section 21 of the Small Business Act, 15 U.S.C. § 648, and federal regulations, 13 C.F.R. Part 130. Current federal funding is \$5.6 with a required \$1:1 matching ratio, bringing the total statewide budget to approximately \$12 million.

Funding of this initiative by the FSBDC Network aligns technology related activities mandated by federal public law with the New Florida Program and provides a unified effort by the SUS to the legislature for technology business development, growth and high-tech high-wage job creation.

**Such outcomes are as follows:**

- Immediate eligibility as direct matching funds for the existing federal SBA funds for SBIR proposal assistance.
- Provides immediate leverage for additional existing fiscal year federal funding opportunities as well as those that might be issued by other federal agencies;
- Enhanced direct technical assistance to all University research faculty;

➤ **Professional Science Master's Statewide Initiative - \$331,200**

The Professional Science Master's (PSM) Statewide Initiative involves the collaboration of all state universities in developing PSM programs that partner with business and industry and government entities to provide the STEM workforce needed to transform Florida's economy from one of tourism and agriculture to one that is high skill, high wage, and knowledge based. This initiative also prepares students in Florida industry sectors important to the workforce and economic development; such as biotechnology, environmental sciences, forensic science and homeland security, modeling and simulation, and healthcare.

The requested \$331,200 will enable a director and staff support person to be hired (\$243,200 with benefits) and \$88,000 in expenses to be used to help coordinate the many activities associated with this initiative, including travel to constituent meetings, promotional materials to be created and distributed, reporting to be accomplished, and assistance to the universities in establishing and maintaining these programs with quality.

**Such outcomes are as follows:**

- Increased number of graduates in STEM disciplines in the state of Florida who are educated at an advanced level - through this initiative an estimated 300 students throughout the state will be enrolled in PSM programs next year (2012-13), and 50 students will graduate;

- Graduates who have the professional skills to be immediately employable by industry, non-profits, and government entities;
- Workforce preparation that allows key industries in Florida, those requiring advanced knowledge, to find highly qualified local talent, an important factor in high-tech industries relocating to Florida.

## 2. Increasing Student Access and Improving Grad Rates - \$59.8 million

### ➤ **Student Access / Improving Graduate Rates - \$53 million**

The SUS has recognized the need to restructure Florida's economy into an economy built on knowledge and innovation. Within the past few years, the System has campaigned for a more energized approach to delivering the message that Florida's economy is better sustained by high-technology, high-wage jobs in targeted degrees and degrees needed for regional and statewide development.

For the 2012-13 LBR, of the \$150 million earmarked for the New Florida Initiative, close to \$53 million in LBR proposals were submitted by the universities to increase student access, improve graduation rates, and other special initiatives.

**Outcome:** To increase student access in fields needed for economic and strategic growth while improving graduation rates at the undergraduate and graduate levels.

### ➤ **Auxiliary Learning Aids - \$5 million**

In order for students with disabilities to persist and graduate, many students require (ALA) and services such as: computer aided real time translation, closed captioning, readers, voice synthesizers, specialized calculators, text enlargers, note takers, assistive listening devices, and sign language interpreters. These ALA services provide students with disabilities opportunities to be successful equal to that of their peers who do not have disabilities.

The SUS will utilize requested funds to meet the increased cost and demand for continuing to provide student accommodations services at our institutions. This is necessary in order to comply with the Rehabilitation Act of 1973 (Section 504) (29 U.S.C. Section 794, the ADA Title II regulation, the Office of Civil Rights and the Florida Educational Equity Act - Title XLVIII (K-20 Education Code).

**Outcome:** Funding is needed in order to insure that the 11 SUS institutions are not in breach of ADA federal and state laws that mandate support for students with disabilities. Students that require ALA and their families will be assured that access to our institutions will result in their progression and success as a result of providing the best and most up-to-date ADA technologies and services.

➤ **Building Academic and Administrative Support Infrastructure (NCF) - \$1.3 million**

The current issue reflects a request for the \$1.3 million remainder of start-up funding required to provide the College with a modest but reliable academic and administrative infrastructure. The College has made significant progress over the past five years in reducing operating costs and had positioned itself to emerge from the cuts sustained through FY 2010-12, including loss of federal stimulus funds, with its academic program intact. However, the base E&G budget cuts sustained in FY 2011-12 will cause fundamental harm to the academic program if additional state revenue is not forthcoming in FY 2012-13.

**Outcome:** The funding will assure continuation of the College's academic program and help sustain its national prominence as a top-ranked public liberal arts colleges and one of the best values in higher education. The infrastructure funding will impact all 800+ enrolled students at the College by providing basic support services, resulting in improved retention and graduation rates. It is anticipated that the first-year retention rate will improve to 90% within three years, and the 6-year graduation rate will improve to 70% within five years. This will yield approximately 35 additional degrees.

➤ **Florida Critical Languages Network - \$516,500**

This new program will streamline the acquisition of the so-called critical languages (e.g., Arabic, Mandarin, Russian, Hindi, Farsi, and Portuguese) through the creation of a SUS Critical Language Network (CLN). Federal agencies (such as the Departments of Defense, Commerce, or Agriculture) have identified the economic, strategic, and geopolitical importance of these languages. Florida citizens, businesses, and governments require greater knowledge of these strategically important foreign languages and cultures in order to navigate an increasingly interconnected world, to compete on global and local markets, and to meet challenges involving national security.

The collaboration of the state universities will utilize existing resources by streamlining, coordinating, and developing courses and programs across the state and thus will reduce costs, avoid duplication, and maximize productivity. Members of the SUS CLN envision three levels of functionality for the network: (1) coordination and communication of existing offerings; (2) targeted expansion of existing offerings to increase (online) access throughout the state; and (3) development of new language expertise to be shared across the SUS and the state.

**Outcome:** An important part of the job of the faculty coordinator and their staff will be to conduct periodic assessments of these collaborative efforts focusing on enrollment patterns across the SUS and the impact of the Critical Language Network on student access, progression, and achievement. Specific outcome metrics will be established to evaluate return on investment which will be used to evaluate the value of continuing these programs as well as the potential for expanding similar efforts to other critical languages (and potentially other academic subjects across the SUS).

3. **Annualization of Plant Operations & Maintenance (PO&M) for 2011-12 Phased-in Facilities - \$3.2 million**

This is the balance of resources required to support the operational costs for 12 facilities totaling 207,183 gross square feet of E&G space coming on-line throughout the 2011-12 fiscal year.

4. **PO&M for 2012-13 New Facilities - \$5.7 million**

During FY 2012-13, the System expects to increase its E&G facilities inventory by 35 facilities totaling an estimated 438,860 gross square feet. New facilities that will be completed based on the contract substantial completion date and that have been approved for construction or acquisition by the Legislature are included in this request.

5. **PO&M for Existing Facilities - \$5.3 million**

A recommendation was made by the Facilities Task Force and approved by the Board of Governors at the June 19, 2008 meeting to request an inflationary increase for operating funds for existing space similar to the increase applied to funding for new space each year. This request represents the increase needed for existing facilities to support utility and operational and maintenance increases for 1,469 facilities totaling an estimated 39.6 million in gross square feet.

**6. Medical School Student Phased-In Tuition Authority for FAU-MS - \$1.9 million**

This issue provides budget authority to FAU medical school for 64 students expected for the upcoming year - bringing the total number of students in the program to 128.

**7. Annualization of 2011-2012 Tuition Increases - Tuition Authority - \$14.3 million**

A total of \$14.3 million is requested for the annualization of tuition increases for the 2011-2012 year. This request represents the amount of budget authority needed by the system for the 2012-2013 year based on the 2011-2012 summer tuition rates.

**8. Estimated 2011-2012 Enrollment Alignments - Tuition Authority - \$55.6 million**

A total of \$55.6 million in tuition is expected to be generated by the system based on the 2011-2012 estimated enrollment figures reported by the universities in their 2011 University Work Plans. In addition, this request includes any technical adjustments for incidental revenues such as application fees, late fees and other fees that will be collected.