

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
BUDGET AND FINANCE COMMITTEE
FLORIDA STATE UNIVERSITY
TALLAHASSEE, FLORIDA
JANUARY 21, 2016

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and its Committees are accessible at <http://www.flbog.edu/>.*

Mr. Tom Kuntz, Chair, convened the meeting of the Budget and Finance Committee at 10:21 a.m. Members present for roll call were Ned Lautenbach, Dean Colson, Tonnette Graham, Mori Hosseini, Wayne Huizenga, Jr., Alan Levine, and Norman Tripp. Other board members present included Dick Beard, Dan Doyle, Wendy Link, Ed Morton, Pam Stewart (by phone), and Fernando Valverde.

1. Call to Order

Mr. Kuntz called the meeting to order.

2. Approval of November 4, 2015 Committee Meeting Minutes

Mr. Hosseini moved that the Committee approve the minutes of the meeting held on November 4, 2015 as presented. Mr. Lautenbach seconded the motion, and members of the Committee concurred.

3. Performance Based Funding Model

Mr. Kuntz stated that during the Committee's November meeting the Board approved moving to a 100 point model and approved the procedure for breaking any ties that may occur after calculating points.

There were 2 items that were left open and staff, along with Dr. Toll, Chair of the Provost group, were asked to review and report back to the Committee at this meeting. Those two issues were the setting of the benchmarks for the 10 metrics based on 100 points and a change to Metric 1 - Percent of Bachelor's Graduates Employed Full-time or Continuing their Education regarding increasing the wage threshold from minimum wage to a higher amount.

Mr. Kuntz reported that Dr. Toll and the Provosts had met to discuss the increase in the wage threshold. Although not unanimous, the Provosts agreed that increasing the threshold to \$25,000 seemed appropriate.

Mr. Kuntz asked Mr. Tim Jones to present the two issues. Mr. Jones presented information on increasing the wage threshold to \$25,000 and the impact by institution on 2013-2014 data. Mr. Jones noted that if the Committee increases the wage threshold a decision should be made on which implementation year the change should be made.

After further discussion, Mr. Hosseini moved that the Committee approve increasing the wage threshold to \$25,000. Mr. Huizenga seconded the motion, and members of the Committee concurred.

Mr. Kuntz indicated that the wage threshold would not change with this year's model, but would be effective for next year's model.

Mr. Jones then presented information on the benchmarks for each metric based on a 100 point model. Mr. Jones stated that staff had worked with Dr. Toll and agreed that using standard rounding procedures, the benchmarks would only go out one decimal.

Although no vote was taken, the Committee instructed staff to proceed with this methodology.

4. Public Notice of Intent to Create Board of Governors' Regulation 9.006 - Remuneration of University Presidents and Administrative Employees

Mr. Kuntz asked Mr. Jones to provide an overview of the new regulation.

Mr. Jones stated that the universities are required by statute to limit the amount of state support that is paid to a president and administrators. The statutory language regarding presidential compensation and fund source is pretty clear. The language regarding administrative employees, and specifically the definition of what constitutes a university teaching faculty is a little more ambiguous. As a result, some of our universities have received an audit finding from the state auditor on the implementation of the statute.

Staff have been working with the universities to develop a definition of university teaching faculty that will allow for consistent implementation of the statute. Paragraph 2d of the regulation is the recommendation. Staff have kept the State Auditor's Office informed of the work and have shared drafts of the regulation throughout the process.

Mr. Lautenbach moved that the Committee approve the new regulation as presented. Mr. Hosseini seconded the motion, and members of the Committee concurred.

5. **Concluding Remarks and Adjournment**

Having no further business, the meeting was adjourned at 10:41 a.m.

Tim Jones, Vice Chancellor
Finance and Administration

Tom Kuntz, Chair