

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Budget and Finance Committee
September 22, 2016

SUBJECT: 2017-2018 State University System Legislative Budget Request

PROPOSED COMMITTEE ACTION

Approve the 2017-2018 operating Legislative Budget Request for the State University System and allow the Chancellor to make technical changes as necessary

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Section 216.023 Florida Statute

BACKGROUND INFORMATION

Annually, the Board of Governors must prepare and submit a State University System Legislative Budget Request (LBR) for state appropriated operating funds to the Legislature and Governor by October 15. The budget must be reviewed and recommendations made on the issues to be included in the 2017-2018 LBR. In accordance with Subsection 216.023(1), Florida Statutes, this LBR is based on an independent judgment of needs and pursuant to the LBR instructions will be presented to the Legislature and Governor by the statutory due date.

The Board approved the 2017-2018 LBR Guidelines at the June 2016 meeting. Technical instructions were provided to the universities and they responded with system and individual university budget needs.

The LBR to be considered will focus on performance funding, student safety and health, and key system or state initiatives. The LBR totals \$4.9 billion and represents a 4.2 percent increase, excluding requests for the Moffitt Cancer Center and the Institute of Human and Machine Cognition. The \$4.9 billion request also includes an estimated increase in tuition collections of \$55 million due to increased enrollments and the mix of out-of-state to in-state students. Not including the \$55 million, the request is a 3 percent increase. The LBR consists of three major components:

- a. Performance Funding of \$100 million in new state funds. This would bring the total to \$650 million; \$325 million in the state's investment and \$325 million in the institution's investment. These funds will be allocated based on the Board's 10-metric performance funding model.

- b. System Workload Initiatives - \$14.3 million. This includes funding for plant operations and maintenance for new and existing facilities, UF-IFAS workload and state fire marshal inspections.
- c. Campus Safety and Mental Health Initiatives – \$28.5 million is requested to support enhanced campus safety initiatives and counseling staff.

Each university has provided information on the following areas:

1. Performance Funding – each university has provided an overview of the initiatives they are undertaking based on the performance funds received this year.
2. Efficiencies - each university has provided a summary of various efficiency initiatives that have taken place or are underway. These efficiencies are expected to save approximately \$54 million or in many cases provide value added by increasing efficiencies and/or saving staff time.
3. Ten Percent Reductions - The detailed budget instructions provided by the Legislature and Governor’s Office requested each agency, including universities, to provide information on the impact of a ten percent budget reduction (which is a standard, annual request made by the Legislature and Governor).

Supporting Documentation Included:

- 1. 2017-2018 Legislative Budget Request Guidelines
- 2. Executive Summary and Supporting Materials
- 3. Performance Funding Initiatives
- 4. Efficiency Summaries
- 5. 10 Percent Reduction Summaries

Facilitators/Presenters: Mr. Tim Jones