

INDEX OF MINUTES  
FLORIDA BOARD OF GOVERNORS  
LIVE OAK PAVILION  
FLORIDA ATLANTIC UNIVERSITY  
BOCA RATON, FLORIDA  
MAY 27, 2004

<u>ITEM</u>		<u>PAGE</u>
1.	Call to Order and Chair's Report.....	1
2.	Recognition, Clayton Solomon.....	2
3.	Approval of Minutes of Meeting held April 22, 2004.....	3
4.	Chancellor's Report.....	3
5.	Presentation: <u>Brown v. Board of Education</u> .....	10
6.	Legislative Report.....	11
7.	Authorization to Implement Ph.D., Social Work, USF.....	11
8.	Proposed SUS Funding Formula, Funding Formula Committee....	11
9.	2005-2006 Fixed Capital Outlay Legislative Budget Request Development Guidelines.....	11
10.	Consent Agenda Items.....	12
11.	Status Reports, Board Committees.....	12
12.	Adjournment.....	13

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The Chair, Carolyn K. Roberts, convened the meeting of the Board of Governors in the Live Oak Pavilion, Florida Atlantic University, Boca Raton, Florida, at 1:00 p.m., May 27, 2004, with the following members present: John Dasburg, Vice Chairman; Dr. Castell Bryant; Miguel DeGrandy; General Rolland Heiser; Sheila McDevitt; Gerri Moll; Lynn Pappas; Ava Parker; Dr. Howard Rock; Peter Rummell; Clayton Solomon; Steve Uhlfelder; and Dr. Zach Zachariah.

1. Call to Order and Chair's Report

Mrs. Roberts recognized President Frank Brogan. She thanked him for the hospitality and warm welcome extended to members of the Board by all the staff at Florida Atlantic University. President Brogan said FAU had a large service area; the University had seven campuses spread out along 140 miles of coastline, and served 26,000 students. He said he was most appreciative of the work of this Board, its excellent Strategic Plan, and particularly, the new Funding Formula, which would ensure fair and equitable funding to all the universities. He introduced the Chair of the FAU Board of Trustees, Dr. George Zoley.

Dr. Zoley said that this University had a wonderful and diverse student body; one-third of its students are minority students; 17 percent are African-American students; six percent are international students. He said that access was a core mission for FAU. He noted that FAU also had an active group of seniors involved in life-long learning. He thanked the Board for its leadership in Strategic Planning. He said the FAU Board was beginning to get comfortable in its role. He said he appreciated the Governor's call for the Boards of Trustees to be accountable, and to promote efficiency and productivity at the universities. He said the FAU Board had mirrored this Board's goals in setting the goals for the President for the next year: Strategic Plan; budget; productivity and efficiency; and program excellence. He reminded the Board of the differences among the universities; each university had a unique mission. This University enrolled 50 percent of its students as part-time students on its seven campuses. He asked for flexibility in the planning process to accommodate these differences. He said the FAU Board welcomed the leadership and support of this Board.

Mrs. Roberts said she had first visited FAU in 1989; the campus is certainly more beautiful with the trees and lovely new architecture. She thanked Dr. Zoley and all the members of the University Boards of Trustees for their leadership. She said the Governor was committed to the universities. The universities had done well in the Legislature this year, and had been appropriated more than \$143 million over the previous year. She said she had been one of the Commencement Speakers at FSU

this Spring. She encouraged other Board members to participate in these ceremonies as they were truly important in the lives of the students served by the universities. She said the June meeting of the Board would be held by telephone conference call, if necessary; the July 22, 2004, meeting will be at UNF, in Jacksonville.

2. Recognition, Clayton Solomon

Mrs. Roberts asked Mr. Solomon to join her at the podium, where she read him the following Resolution, signed by all the Board members.

**WHEREAS**, Clayton Solomon has provided dedicated service to the State of Florida as the representative of the Florida Student Association on the Florida Board of Governors, from January 2004 to June 2004; and

**WHEREAS**, Mr. Solomon has been an effective member of this Board and has used his position to encourage discussion and interest in the issues affecting students in the State University System, and to inform Board members on these topics; and

**WHEREAS**, there are few guidelines for the student member of the Board of Governors, nevertheless, Mr. Solomon has displayed an understanding of the issues and the areas in which this Board can offer leadership and vision for all the universities in the System; and

**WHEREAS**, during his tenure on the Board, Mr. Solomon has often reminded the Board of its responsibilities to the 271,000 students enrolled in Florida's public universities; and

**WHEREAS**, Mr. Solomon has now completed his service as the Chair of the Florida Student Association, and will now yield his seat on this Board to his successor; now therefore

**BE IT RESOLVED** that the members of the Florida Board of Governors, meeting in Boca Raton on the campus of Florida Atlantic University on this twenty-seventh day of May, 2004, do hereby commend Clayton Solomon for his contributions to the State University System, and do wish him well as he completes his studies; and

**BE IT FURTHER RESOLVED** that a copy of this resolution be included in the Minutes of the meeting, and the resolution be presented to Mr. Solomon as a token of the Board's appreciation and thanks.

Mr. Solomon thanked the members of the Board. He said it had been a pleasure to serve on this Board and he was appreciative to all of them for making the student member feel so welcome. He introduced his successor, Mr. Jarrett R. Eady, from FSU.

3. Approval of Minutes of Meeting held April 22, 2004

Mr. Dasburg moved that the Board approve the Minutes of the Meeting held April 22, 2004, as written. Mr. Rummell seconded the motion, and members of the Board concurred.

4. Chancellor's Report

Chancellor Austin introduced Dr. Pat Dallet from CEPRI. Dr. Dallet distributed the CEPRI staff assignments for 2004-2005. He said CEPRI would meet on June 8-9, 2004, in Tampa. The meeting would include a forum with the World Class Schools Foundation.

Dr. Austin advised the Board that the early admissions numbers for the year, 2004-2005, indicated record enrollment at the universities. She said she wanted to bring three issues for Board discussion: the Chiropractic School at FSU; block tuition; and the request of the Presidents that the Board authorize the universities to charge a technology fee.

A. Chiropractic School

Dr. Austin said the Chiropractic School for FSU had been approved by the Legislature with a \$9 million appropriation. She invited Board discussion of the appropriate Board role in this issue. Mr. Woodring was available for comment and to respond to questions.

Dr. Rock moved that the implementation of the Chiropractic School, approved by the Legislature, cannot begin prior to requiring faculty and institutional approval by FSU, by its Board of Trustees, and by the Board of Governors; and that this new program proceed through the Board's regular process for approving new medical schools. Dr. Zachariah seconded the motion.

Mr. DeGrandy said the motion was phrased as a statement. He inquired about the legal basis of the statement, whether this was a statement of fact or whether it phrases a request. Dr. Rock explained that his motion dealt with the implementation of the program; it did not recommend eliminating the program. He said it was the primacy of the faculty, the administration, and the University Board of Trustees to approve curriculum and programs; these proposals should then be submitted to the Chancellor and this Board for analysis of the proposal on the merits. Such a process is essential to the operation of the universities, ensuring that curriculum and program review have been done by the University Board of Trustees. He said this was at the heart of Amendment 11. It was essential that the Board of Governors upholds its Constitutional prerogative, and not set the precedent that the Legislature does as it pleases on matters within this Board's jurisdiction. This will allow the Board to set the needed boundaries. He noted that Mr. Woodring had advised the Strategic Planning Committee that no medical school could go forward unless it had come through this Board. He added that Mr. Uhlfelder had also warned the universities not to go forward to the Legislature without coming to this Board. He said funds were limited; it is the responsibility of this

Board to make these key decisions. He noted that no chiropractic school in the country is currently affiliated with a university. The Board should not take this groundbreaking step until it has considered this proposal carefully. The Board has the authority not to allow the implementation of the program to go forward, until it has the approval of this Board.

Dr. LeMon advised the Board, from his long experience with program approval, that conversations should take place between the Board and the institution, on issues such as, the proposed program, the faculty, the facilities, limited access, and these discussions should proceed through the proper channels at the institution. He said he remembered programs that had been brought to the Board of Regents to which faculty were opposed. He said the Board was not well advised to sanction a process requiring faculty review.

Mr. Uhlfelder said this was clearly an issue for the FSU Board of Trustees. He said this Board had not even heard from representatives of FSU regarding this program. It was premature for this Board to consider this issue. Discussions of this proposal have been in process for over a year; this Board had taken no position on this proposal, which began before this Board came into existence. This Board needed to hear from FSU.

Mr. DeGrandy said that a Board member had made a statement that implementation of a program should not occur until certain steps were taken. He inquired of Mr. Woodring whether these steps were required by law. He said if these steps were not required by law, this was a policy issue. Mr. Woodring responded that the Legislature had appropriated \$9 million with some conditions, but with some flexibility as well. He said the posture for the Board was that it would not have to take any action for FSU to act on that legislation. This Board could take the position on the appropriation that FSU could take neither the funds, nor accomplish the purpose for the funds. This was a policy decision. The Board's authority to manage the universities stemmed from the Constitution, subject to the Legislature's power of appropriation. The Legislature could impose reasonable restrictions on its appropriations. The Board could, however, decline the appropriation and not be bound by those restricting conditions.

Dr. Bryant said the Board had some authority over the approval and rejection of programs. She inquired about the appropriate response given the present situation with a program approved by the Legislature, started prior to the Board's existence, and prior to the Board's completion of its Strategic Plan that would include guidelines for an approval process. So much had happened prior to this Board being able to judge any program based on its stated criteria. This Board had the authority to approve programs, but it was just now establishing its criteria on how it would do that.

Dr. Zachariah agreed that a program proposal might not require faculty approval. He said this Board had the authority to deny or to support the process; it did not matter when the process began. It was important to consider this matter seriously. It was wrong for the Board to go along so as not to anger the Legislature. Mrs. Roberts said she did not disagree. The Board now almost had its Strategic Plan in place. Once in

place, it would be difficult to implement this program. The Board did not have such a plan when discussions of this program had begun.

Mr. Uhlfelder said this issue was contained in FSU's budget. He inquired if the Board had ever objected to this program, or if it had testified against the program. He asked why the Board had waited until after the Legislature and the Governor had already acted.

Mr. DeGrandy said he could not support the motion describing the manner in which a program is approved. He suggested that the motion follow Mr. Woodring's advice: does the Board accept the appropriation. He said the Board did not have a Strategic Plan in place when the Legislature acted; this program was requested by the university and given without a Strategic Plan in place. He acknowledged that this might not be the program over which to create a rift with the Legislature. That might happen next year. Now that the Legislature had acted, he said he was not comfortable creating that confrontation.

Ms. Pappas said the Board should not confuse the merits of the ultimate objective with the process that had already gone on. She said she viewed this as a fairness issue. This Board had not, up to this point, participated in the process. She said this Board would be ill-advised to confront the Legislature, particularly if the Board was seeking the mutual respect of the Legislature. She said this would negatively affect the exertion of the Board's authority in the appropriate way.

Dr. Bryant said the Board had heard powerful presentations on medical schools; the Board had not yet reached a comfort level on that topic. She said the Board had not been involved in the discussions of the chiropractic school, nor had the Board heard any information about this program. She said the Board's credibility was at stake. She asked whether the Board should be making decisions based on what is convenient or based on data. She said the Board should expand its discussions of medical education to include chiropractic medicine, as the Board had no knowledge of whether this school was needed. She noted that these discussions had begun before the establishment of this Board.

Ms. Parker inquired whether it had been an affirmative decision by the University not to bring this proposal to this Board. She noted that this Board had approved other programs proposed by the universities, for which planning had started prior to the existence of this Board. The issue seems to come to the Board through the back door, as the Legislature had appropriated the dollars.

Mrs. Roberts said the issue was not about the Board's Constitutional authority, nor the lack of a process for reviewing proposals. This was an issue of timing.

Ms. Parker inquired whether there was a requirement for approval by the Board of Governors, or was it acceptable first to get the appropriations from the Legislature. Mr. Woodring said the Legislature would do what it would do.

Mr. Uhlfelder said Dr. Rock had a legitimate point. He inquired whether FSU's Faculty Senate had taken any position on this program proposal. Dr. Rock said they had taken no position. Mr. Uhlfelder recommended that the Board should be careful, if the Faculty Senate had been unwilling to act.

Dr. LeMon reminded the Board that it had adopted a process for the review of programs on April 30, 2003. That action had included the approval of criteria for program approval. The process included a subset of eight criteria for staff analysis, including the relevance of the program; whether it was appropriate to the university mission and the strength of the institution; need and demand for the program; costs; available faculty; and facilities. He noted that some of the programs already approved by this Board had not been on the Board of Regents 1998 Update of its Strategic Plan. He said the proposed chiropractic program was not a part of the Legislative Budget Request this Board had approved and submitted to the Legislature.

Dr. Zachariah said it was naïve for this Board to claim no responsibility for this program. He asked who was responsible for this Board not looking at the budget and at this particular proposal. He added that the type of school did not matter. He said his concern was that this action appeared to be usurping the responsibility of this Board. He said the Board needed to stand up and act.

Mr. Rummell inquired about the consequences if the Board were to vote against the program. Mr. Woodring responded that the Board, by resolution, could direct the Board of Trustees not to accept the appropriation and not go forward, and the Trustees would be required to follow that directive. He added that such an action had both legal and political implications. The Legislature would have an interest should the Board mount a legal challenge.

Mr. DeGrandy said he was familiar with the legislative process. Legislators were accustomed to getting funding requests directly from the universities. The issue here is with a university that makes a direct request of the Legislature without going through the Board of Governors process. He suggested that while the Board could point to its Constitutional authority, it should still pick its fights carefully. He said this Board needed to send a message to FSU and the other universities that business will be done differently in the coming years; this was not the one for the fight. The Board had not entered the discussions of this program, nor had it advised the Legislature of its position. He recommended that the Board send a clear message that these issues, in future, would proceed through the Board of Governors.

Dr. Bryant inquired whether the \$9 million for the Chiropractic School was in the budget. Dr. Austin said it was in FSU's budget request, but it had not been included in the Budget Request submitted by this Board to the Legislature. Dr. Bryant said that the fact that the issue was not included in this Board's Budget Request was a statement of this Board that it should not exist. If FSU were asking the Legislature directly for this program, then it was her belief that they were in a "mess." She said she was not willing to trade her professionalism and her integrity when there was no knowledge if such a school were needed. This school had not gone through any Board process. She said

this request should follow the review process in place for other programs, and then the Board would have a basis upon which to make its decision.

Dr. Rock said his motion intended to make this school follow that procedure, that it could not begin until the proper approvals were obtained at FSU and at the Board. Ms. McDevitt said this would then be consistent with other program approvals. Dr. Rock said the Board had reviewed other programs for which planning had occurred prior to the existence of this Board; this was not a good argument. The Faculty Senate was asking the Board for a rational process for the consideration of new programs. He agreed to amend his motion to remove consideration by the faculty in the approval process; Dr. Zachariah seconded that amendment.

Mr. Uhlfelder asked what would be the issue the Board contests. It might be over the question of who controls the purse strings, which decides much of what this Board is about. There were legislative hearings; the Board knew about this issue; the Governor had already signed the legislation. He asked whether this was the one to contest. Ms. Moll said this Board was without a Strategic Plan and without a process. This was the wrong time for this fight.

Mr. DeGrandy made a motion to lay on the table. Ms. McDevitt seconded the motion. The motion passed 8 to 5, with Dr. Bryant, Mr. DeGrandy, General Heiser, Ms. McDevitt, Ms. Moll, Mr. Rummell, Mr. Solomon, and Mr. Uhlfelder voting for the motion; and Mr. Dasburg, Ms. Pappas, Ms. Parker, Dr. Rock and Dr. Zachariah voting no.

Dr. Bryant said \$9 million was appropriated; the Board needs some process. She moved that staff be directed to take a look at the chiropractic program, take it through the normal channels and procedure, get the findings, and make a recommendation to the Board, after staff had performed its due diligence. She said the first part of the process should be recommendations coming forward from FSU. Dr. Zachariah seconded the motion.

Ms. Parker inquired whether this would create a problem with the appropriation. Dr. Austin responded that she had no idea where the University was in developing the curriculum or when the proposal might be forwarded to the Board.

President Brogan commented that the Legislature, on this matter, could care less about the Board's strategic planning process. He said as to governance, the question would be the issue on which to contest the role and responsibility of the Board versus that of the Legislature, and the appropriate role for a Constitutionally-created body. It is appropriate to use the Board's Strategic Plan to determine the creation of any significant program and the location for that program. He would advise the Board to pick the cleanest, clearest battle to test the question of governance and the separation of powers. Currently, the Board was formulating its positions. While there may be issues which are attractive to test the Board's role, these may not represent the best legal litmus test on the complexity of two branches of government, and the Constitution versus the statutes. He said there was also the issue of the remedy to be sought. He said there were other issues coming, once roles were clearly delineated. He recommended taking on this issue later when there is no question of who is responsible.



Mrs. Roberts said there was no doubt as to the Constitutional authority of the Board, but this was a matter of timing. This Board has been at work only 17 months; the Chancellor has been in office just over 12 months. She said if this Board is decisive and strong, there might never be a challenge of authority.

Mr. Uhlfelder suggested an amendment to Dr. Bryant's motion, that representatives of FSU should make a presentation to the Board at its July meeting on the status of this program. Dr. Bryant declined to accept the amendment.

Ms. Pappas inquired as to the difference between Dr. Rock's motion and Dr. Bryant's motion. Dr. Bryant said this Board did not have any information about the proposed program. She said the process had to begin with FSU coming forward with the details of the proposal for the Board to analyze and to make its decision.

Dr. Rock inquired whether FSU could spend the appropriation under Dr. Bryant's motion. Dr. Bryant said the money came from the Legislature; this Board had no say on that matter.

Ms. Moll inquired what would occur if the proposal were brought to the Board and, after review, this Board does not approve the proposal. Mr. Woodring responded that a school could neither rise nor fall in one year. FSU could spend the appropriation. As a continuing program, however, the Board could evaluate the continuation of the program. He said that the Board has voted not to take action on the appropriation, but has voted that staff should review the school, the need for the program, the curriculum, separate and apart from the appropriation. Dr. Austin noted also, that staff would continue to work with the institution to bring the proposal to the Board for approval.

President Brogan said that the Board would have to initiate legal action to stop an appropriation to a university. He said the Board has an obligation to the needs of the whole State. The Board was in the midst of a review of medical schools and how they fit into the needs of the State of Florida; a similar study should be done for chiropractic medicine.

There was no further discussion. Members of the Board approved the motion unanimously.

#### B. Block Tuition

Mr. Uhlfelder moved that the Board direct the Chancellor to require each University Board of Trustees, no later than July 1, to report on the implementation of block tuition, differential fees, and other forms of tuition, by location. Dr. Rock seconded the motion. Mr. Uhlfelder noted that some of the universities were actively opposed to block tuition, but that it was important to continue to look at block tuition, including course offerings and courses by location, so the Board could make a legitimate decision. Dr. Austin said the Board had voted to authorize block tuition, which had also been included in the Governor's budget. Although the Legislature had not passed block tuition, there was continued interest. This motion directs the staff to continue to work on the issue and by a date certain to offer a plan to be brought to the Board for review, as a

part of the legislative package. Dr. Bryant said that any plan needed to include the impact of a block tuition policy on financial aid. Mr. Uhlfelder said all these issues should be considered, including the methodology used to address the issue, as there may be differences by program area. He said he wanted to encourage the universities who wanted to pursue block tuition.

President Maidique said in order to bring a reasoned and thoughtful plan to the Board, the universities would need to consult with their constituent groups within the university community. He said this might be difficult during the summer months, and suggested a response deadline of September 1 might be preferable. President Brogan said he would not bring a response that had not been discussed with his Board, and this might require additional time for scheduling such a meeting.

President Hitt noted that when this had been discussed last winter, there had been different understandings of block tuition. In the analyses, some of the universities thought they would lose money, others did not. He said the Presidents needed to know how much latitude the universities would have, as well as the constraints, with block tuition.

Mr. DeGrandy said the Board would meet on September 23, 2004. He suggested a deadline of September 10, 2004, for the university analyses. Dr. Austin said the Board would consider its Legislative Budget Request at the July 22, 2004, Board meeting, and legislative issues at the September meeting. A September 10 deadline does not give sufficient time for staff review.

Mr. Uhlfelder commented that Minnesota has instituted block tuition and found it to have an important impact. He said he was eager for universities in Florida to implement block tuition. Mrs. Roberts inquired whether a September 1 deadline would give sufficient time for the University Trustees and to the staff for review and discussion at the September Board meeting. Presidents Maidique, Brogan and Hitt said this would provide opportunity for their Trustees to review the plans; Dr. Austin concurred.

Mr. DeGrandy noted that the last time this Board had adopted a position on block tuition, it had been subject to this Board retaining the authority to make exceptions. He asked the Presidents to tailor their plans for block tuition to include any exceptions or caveats needed. He inquired whether the universities could respond by saying that block tuition was not a good option for them. Mr. Uhlfelder said they could.

President Hitt said the universities were struggling with classroom space for students carrying 11-12 hour loads. Block tuition was proposed for 15 hours, causing, in effect, a 25 percent increase in FTE enrollment. He said UCF did not have 25 percent unused capacity. The universities would, as a result, be generating 25 percent more enrollment with no additional appropriations.

President Brogan said the Board had earlier discussed the chiropractic school and was now considering four further policy initiatives regarding tuition. This was all on top of "jaws of change." The question remains how all these initiatives will impact on the bottom line of the Strategic Plan, with the universities generating more degrees and

becoming more productive. He said they were wrestling with all these policy issues in a vacuum. He said the Board would eventually have a wonderful Strategic Plan. He said they could hurry and implement all these policies and see the impact on the Strategic Plan, but it was hard to predict the impact of these policies on the goals of the Strategic Plan. Mr. Solomon asked that the universities include students in the discussions.

Mr. Uhlfelder called the question, with the deadline of September 1, 2004, for the submission of the plans by the universities. The motion passed, with General Heiser, Mr. Dasburg and Dr. Zachariah voting no.

#### C. Technology Fee

Dr. Austin said that at their last meeting, the Presidents had asked that the Board of Governors authorize the universities to charge a technology fee. President Hitt said that several universities were keenly interested in a technology fee. They had argued that the statutes allowed the Boards of Trustees to authorize such a fee. As a group, however, the Presidents had unanimously approved requesting that this Board authorize the fee and let the Boards of Trustees set the fee up to a maximum of \$100 per student per semester.

Mr. Woodring distributed a copy of his written opinion that the universities did not have the authority to charge this fee, but that they could charge the fee following approval of the Board of Governors. He said that by Resolution, adopted on January 7, 2003, the Board had delegated powers and duties to the University Boards of Trustees. He said that absent action by the Legislature or action by this Board, the universities did not have the authority to impose a technology fee.

Mr. Rummell said this fee was a part of a larger issue. He moved that the Board's Resolution of January 7, 2003, did not authorize the universities to impose a technology fee, and that the Board would not address the fee until the Board had the larger discussion of its overall tuition policy and the Strategic Plan. Dr. Bryant seconded the motion, and members of the Board concurred.

On another matter, Dr. Bryant raised a concern that there was one set of rules governing a single Direct Support Organization, based on a recent court ruling. She asked that Mr. Woodring research this ruling to see whether it sets a precedent for the other universities. She said her concern was that the ruling seems to set aside a decision by the President and the University Board of Trustees, because of a suit brought by one part of a DSO. She said she needed to know whether a DSO functions at the will and pleasure of the President/Board of Trustees. Mr. Woodring said he was not familiar with the ruling, but that he would research the question.

#### 5. Presentation: Brown v. Board of Education

Dr. Austin said she had distributed copies of the Governor's speech, which he had delivered on May 17, 2004, the fiftieth anniversary of the Supreme Court decision, Brown v. Board of Education. The occasion in the Capitol marked the day and the end of the "bus tour" of the State with artifacts and memorabilia commemorating that

decision. The speech was about the decision, its ramifications, and how education had progressed since that 1954 decision.

6. Legislative Report

Dr. Austin said she would mail a summary of the Legislative Session, including information on the budget items vetoed by the Governor.

7. Authorization to Implement Ph.D., Social Work, USF

Dr. LeMon explained the program proposal and the extensive review of the proposed Ph.D. in Social Work at the University of South Florida. Provost Renu Khator noted that the program was academically and fiscally sound, and strategically desirable. Ms. Pappas complimented USF and said the proposal had been very well presented.

Mr. Dasburg moved that the Board authorize the implementation of a Ph.D. in Social Work, CIP 44.0701, at the University of South Florida, as presented. Ms. Moll seconded the motion, and members of the Board concurred.

8. Proposed SUS Funding Formula, Funding Formula Committee

Dr. Austin said she had briefed all the members on the new funding formula. She said the new formula was the result of work done by the Presidents and the Provosts with the help of a technical work group. She said they had all reached consensus on the new formula. Dr. Rock inquired whether this formula reflected a tier structure for the universities. Dr. Austin said it did not. The formula gave incentives to the universities and was not static.

President Brogan commended the time and energy given in developing this new formula. He said it was excellent. The old formula was not right for the growing institutions, and this new formula was long overdue. He especially thanked Ms. Anne Blankenship for her work on the Committee.

Ms. Moll moved that the Board approve the recommendations from the Funding Formula Committee for a new funding formula, authorizing the Chancellor to make technical adjustments and updates to the model, as needed. Dr. Zachariah seconded the motion. Ms. Moll noted that this new formula would be used in the development of the 2005-2006 Legislative Budget Request. There were no further comments, and members of the Board concurred.

9. 2005-2006 Fixed Capital Outlay Legislative Budget Request Development Guidelines

Ms. Parker said the Facilities Committee had reviewed and had recommended approval of the 2005-2006 Fixed Capital Outlay Legislative Budget Request Development Guidelines. Mr. Solomon suggested that the guideline relating to CITF projects be amended to reflect that fixed capital outlay projects should be funded for activities related to student activities and services on campus. Ms. Parker moved that

the Board approve the 2005-2006 Legislative Budget Request Development Guidelines for the Fixed Capital Outlay Budget, as identified by staff, and as further amended, and authorize the Chancellor to make technical amendments and adjustments based on the final 2004-2005 Legislative appropriations. Ms. Moll seconded the motion, and members of the Board concurred.

10. Consent Agenda Items

- A. Consideration of a Resolution of the Board of Governors Authorizing the Issuance of Not to Exceed \$7.4 million Florida State University International Program Association, Inc., Tax Exempt Debt to Refund Certain Outstanding Obligations, FSU

Dr. Bryant moved that the Board adopt a resolution authorizing a tax exempt loan in an amount not to exceed \$7.4 million to refund the outstanding balance of the \$7.4 million Florida State University International Programs Association, Inc., Bond Series 1994, as presented. Dr. Zachariah seconded the motion, and members of the Board concurred. Ms. Moll abstained from the vote.

- B. Consideration of a Resolution of the Board of Governors Authorizing the Issuance of Florida International University Revenue Bonds to Finance a Student Housing Complex and Support Services Facilities Project (Lakeview Housing Project), University Park Campus, FIU

Dr. Bryant moved that the Board approve the financing plan and adopt a resolution authorizing the issuance of fixed rate, tax-exempt revenue bonds by the Division of Bond Finance of the State Board of Administration of Florida on behalf of Florida International University in an amount not to exceed \$36,500,000 to finance the construction of Student Housing IV (Lakeview Housing) Project, and further, authorize the Chair, Vice Chair, the Deputy Commissioner/Chief Operating and Education Financial Officer and other authorized representatives of the Board of Governors to execute the necessary contractual documents related to the financing of the project, as presented. Dr. Zachariah seconded the motion, and members of the Board concurred. Ms. Moll abstained from the vote.

11. Status Reports, Board Committees

- A. Student Affairs

Dr. Zachariah said the Committee had discussed Florida's "2 + 2" system of articulation. There was no item for Board action.

B. Strategic Planning/ Educational Policy

Mr. Dasburg said the Committee had approved the strategic goals for the State University System, pending language from the University Presidents to replace the goal of achieving membership in the AAU. He said he expected to have this language by the end of June, for the written consent of the Board. He said the Chair would be sending a letter to the chairs of the University Boards of Trustees directing them to prepare their university Strategic Plans in accord with the Board's Strategic Plan. The Presidents are aware that this Board has now approved its Strategic Plan and are already moving toward their own strategic plans.

Mrs. Roberts said this was an excellent Strategic Plan. She complimented the work of this Board as it implemented the Constitutional Amendment. She said the members were also working well with the University Boards and with the Presidents.

Mr. Dasburg said he wished to comment on the earlier discussion of the chiropractic school. He said it was his view that the Legislature was aware of the existence of this Board; the FSU Trustees are aware of this Board; the senior administrators of FSU are aware of this Board. He said they had chosen to ignore the Board. He said this was a clear separation of powers issue. If it develops that the Board of Governors is not agreeable to a set of facts, it will mount a challenge and raise that issue. He said that day was coming. He said this Board was watched to see whether the Board would exercise its proper authority. He said they had faced such an issue in this meeting, and they had chosen not to mount the challenge. He said if the Board refused to make that challenge, it was not carrying out the mandate given it by the citizens of the State.

Mrs. Roberts said she did not view the Board's action as a show of weakness. She said it was a matter of timing. This Board will implement its Constitutional authority for the citizens.

12. Adjournment

Having no further business, the Chair adjourned the regular meeting of the Florida Board of Governors at 3:15 p.m., May 27, 2004.

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Carolyn K. Roberts,  
Chair

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Mary-Anne Bestebreurtje,  
Corporate Secretary